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THE 1982-83 ECONOMIC REVIEW OF TRAVEL IN AMERICA

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The United States Travel Data Center is the national, non-profit center for travel and tourism research. Since its establishment in 1973, the Data Center has devoted itself to advancing the common interests of the travel industry and the public it serves by encouraging, sponsoring and conducting statistical, economic, and scientific research concerning travel, the travel industry and travel-related industries. In pursuit of this objective, the Data Center gathers, analyzes, publishes and disseminates the results of such research, and cooperates with all government agencies, private industry and academic institutions with similar purposes and objectives. The Data Center is financed through publication sales, membership dues and contract research. It is located in Suite 610, 1899 L Street, N.W., Washington, D.C. 20036.

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EXECUTIVE SUMMARY

The 1982-83 Economic Review of Travel in America

- U.S. and foreign travelers spent $194 billion in the U.S. during 1982, a two percent increase over 1981.

- Travel spending in America directly generated 4.5 million jobs in 1982, paying $41 billion in wages and salaries and producing $20 billion in federal, state and local tax revenue.

- If viewed as a single retail industry, the travel and tourism sector remained the second largest retail industry in 1982 business receipts, after food stores.

- The 1982 gain in travel industry sales outpaced the gross national product in both real and dollar terms.

- 1982 travel price inflation fell to the lowest level in more than a decade.

- Travel industry employment continued to outpace the overall economy during recessionary 1982, producing 39 thousand additional jobs for the year.

- Petroleum consumed in traveling away from home in the U.S. fell 1.1 percent in 1982, and accounted for less than four percent of total energy consumption.

- Foreign visitors to the U.S. fell for the first time in 20 years in 1982, and their expenditures declined for the first time in 30 years, as the U.S. dropped to 29th place in national government tourism spending.

- U.S. and foreign travelers spend more in the Far West than in any other region, but the South leads in the number of jobs generated by this spending.

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I. INTRODUCTION

In 1981, the U.S. Travel Data Center released The 1980-81 Economic Review of Travel in America, the first issue of a series of annual reports on the role of travel and tourism activity in the American economy. The 1981-82 edition provided the second annual review of travel and the U.S. economy, including travel's economic contributions, developments in the industry that services travel away from home, and the effects of economic developments on travel which were all discussed through analysis of the best available current data.

This new, 1982-83 edition up-dates the earlier report and adds new information on economic aspects of travel to, from and within the United States.

Travel

The subject of this report is travel away from home. Over the years there has been considerable discussion of the appropriate definition of this activity, and a consensus appears to be forming around the one advanced by the National Tourism Resources Review Commission in 1973: trips of 50 one-way miles or more for any purpose except commuting to and from work.

In practice, few studies have incorporated this definition. It is more common to measure U.S. travel 100 miles or more away from home; or overnight stays away from home; or national, state or local border crossings. The travel activity data discussed in this report reflect these differences but have been chosen to approximate the consensus definition as closely as feasible.

The word, "tourism," is avoided in this report as being a confusing term. While it is often used to denote travel away from home in many parts of the world, in American parlance it connotes travel for pleasure only. When the term does arise herein, it is as a synonym for travel away from home, to empha-

size that we are interested in tourism-type travel, rather than local traffic.

Travel Industry

Travelers participate in a number of different activities when they are away from home. They purchase public transportation, gasoline, food, lodging, entertainment, recreation, and a number of other incidental goods and services. U.S. businesses provide these items to travelers and to local residents and others as well.

Businesses are commonly grouped together into industries by the type of product they produce. Consequently, travelers patronize a number of different industries as conventionally defined.

For this reason, we cannot define a "travel industry" as such. We can, however, develop a spectrum of types of U.S. businesses based upon their dependence on traveler expenditures for business receipts. In the U.S., "primary travel-related businesses," those which depend upon travel expenditures for more than one-third of total sales receipts, include intercity bus, rail and air passenger carriers; eating and drinking places; hotels, motels and motor hotels; campgrounds and transient trailer parks; car rental firms; and amusement and recreation services. By charting trends in this group of businesses, we can infer trends and conditions in the "travel industry" as a whole.

Unfortunately, data are not readily available on each of these travel industry sectors. The reader will note that the components making up the travel industry in this report change from chapter to chapter, depending on the statistics available. However, we feel that the data do indicate how the travel industry is faring and how it is contributing to the U.S. economy.

Automobile travel including that by auto, truck, recreational vehicle, and motorcycle comprises 60 percent to 80 percent of all travel away from home in this country, depending upon the definition. The type of business that could best represent this transportation activity is gasoline service stations. However, traveler expenditures on auto transportation comprise about 20 percent of total sales of these establishments. Consequently, we decided to exclude gasoline service stations from the travel industry represented in this report. By so doing, we exclude businesses representing a large sector of travel activity but improve our chances that the travel

industry measured herein actually indicates travel-related business developments.

While some data on travel and the travel industry extend back more than a decade, a large part of the information we have from the federal government on receipts, prices, traffic and employment in travel-related businesses begins in 1972. As a result most of the past perspectives on travel and the industry provided in this report begin with 1972.

While we always clarify which activities and types of businesses are included in this report, the charts and analysis focus on travel and the industry that services it as a whole, rather than on its component parts. Travel away from home is a distinctive human activity, requiring a variety of goods and services. The consumption of these goods and services makes the establishments which provide them necessarily interdependent. People who travel need a mode of transportation, a place to visit, shelter, and food. Oftentimes, they demand entertainment, recreation and other items as well.

In a very real sense, we would not have hotels without transportation, nor would people travel without a place to stay. Similar interdependence among other traveler activities can be easily seen. Consequently, we feel travel and the travel industry is best viewed in its entirety and attempt to emphasize this perspective.

A traveler's purchase from a retail business begins a productive economic process that stretches through wholesale, manufacturing, extractive, transportation and service firms. There are indications that the indirect impact of such a purchase can dwarf the direct impact on the travel-serving retail business.

This review concentrates on the direct impact of travel and tourism on the U.S. economy. This is not to say that the indirect impact is unworthy of review but that the data here are not nearly as well developed. It is hoped that future editions of this review can include sound estimates of the "multiplier" impact of travel expenditures in the U.S. as well as the direct effects.

Organization of the Report

This review is organized in eight chapters. Recent developments in travel activity along with current industry trends placed in the perspective of the last decade are discussed in Chapter 2. Chapter 3 presents a discussion of travel price inflation. Chapter 4 focuses on the unique ability of the industry to create jobs.

Chapter 5 highlights the dependence of travel on petroleum fuel supplies and emphasizes the relatively small share of energy consumption attributable to the activity.

Chapter 6 presents a discussion of international travel trends and their effect on the U.S., while Chapter 7 surveys regional trends in travel.

Chapter 8 provides a summary of travel and the economy.

The appendices provide background information essential to the report. Appendix A presents the base data used for calculating the charts included in the previous chapters. Appendix B is a list of sources used in the preparation of the review.

Note: Detail numbers in tables may not add to totals due to rounding.

II. TRAVEL ACTIVITY AND INDUSTRY TRENDS

The economic recession that began in July 1981 finally reached bottom in December 1982. In the meantime, income, employment and business activity were depressed during what is termed the worst recession since the great depression of the 1930's.

Table II-1 shows the course of several major economic variables that affect travel away from home in America. It is clear that 1982 was a considerably worse year for the nation's economy than 1981. America's total output of goods and services (GNP) increased somewhat in 1982 but less than one-half the 1981 rate. Output measured in real terms with price increases, removed actually fell nearly two percent, the worst annual decline for every year since World War II. These measures and the decline in corporate profits suggest business travel was depressed in 1982.

Table II-1: Overall U.S. Economic Developments, 1981-1983 projected (percent change from previous year)

	Projected 1983	1982	1981
Dollar GNP	8%	4.1%	12%
Real GNP	3	-1.7	1.9
Personal income	8	6.4	12
Corp. profits after tax	15	-22	4.1
Consumer price index	5	6.1	10
Payroll employment	1.0	-1.6	0.8

Source: U.S. Travel Data Center, Council of Economic Advisers

Consumers were restrained as well from realizing their desire to travel away from home. Personal income grew only six percent, the smallest gain in 20 years. After consumer inflation is removed, there was no growth at all in the real income available to the public for pleasure travel away from home.

Employment fell, and the unemployment rate rose to its highest level since the great depression. While ninety million Americans were still employed in 1982, the fear of job loss and income reduction in the future kept many people at home who would normally travel.

The sharp decline in travel prices during 1982 was an encouraging development for travelers. They could maintain their same level of travel activity of one year earlier yet pay only six percent more. Moreover, moderate travel price inflation provided a favorable environment for future consumer and business travel increases.

Spring of 1983 brought unmistakable signs that the U.S. economy was in recovery. Leading economic indicators, retail sales, housing starts and stock market prices all indicated the economy was advancing at a healthy rate. As indicated in Table II-1, 1983 is expected to provide an economic setting for substantial growth with a relative measure of price stability. Moreover, consumer polls by the University of Michigan, the Conference Board, the U.S. Travel Data Center and others indicate Americans are preparing to respond to the continuing positive economic news with increased buying activity.

Travel Activity

The depressing economic environment throughout 1982 produced a rare decline in U.S. travel away from home. Normally immune to economic downturns, travel in 1982 proved vulnerable to the length and breadth of this recession, coming on the heels as it did of the 1980 recession. Historically high unemployment rates and fears of future job loss discouraged many Americans from traveling as much as they desired.

As indicated in Table II-2, U.S. travel away from home as measured by the Data Center's National Travel Survey in "person-trips" (one person on a trip to a place 100 miles or more away from home) fell seven percent from 1981. This is the first annual decline measured in the four years the survey has been conducted. Vacation travel fell more than travel for business-related purposes, reflecting consumers' fears of economic insecurity. Despite the severity of the recession, however, Americans still recorded over one billion person-trips away from home for all purposes.

Table II-2: U.S. Travel Away from Home for Selected Trip Purposes, 1981-82 (millions of person-trips)

Purpose	1982	1981	Percent Change
All travel	1,069	1,152	-7.2%
Vacation travel	660	738	-11
Business/convention travel	152	157	-3.1

Source: U.S. Travel Data Center, National Travel Survey.

Travel measured in nights away from home declined nearly nine percent for 1982 (Table II-3). Vacation travel showed a major reduction, suggesting Americans cautiously took many of their customary shorter vacation trips but cut back on the longer ones. Business travelers, however, actually increased their nights away from home over the depressed 1981 levels. Trip-linking -- combining several destinations or different meetings in a single trip -- became more common as a way to reduce travel's transportation costs. The average duration of the business/convention trip increased to 4.2 nights as a result.

Table II-3: U.S. Nights Away from Home for Selected Trip Purposes, 1981-82 (million of person-nights)

Purpose	1982	1981	Percent Change
All travel	4,811	5,274	-8.8%
Vacation travel	3,518	4,058	-13
Business/convention travel	632	563	12

Source: U.S. Travel Data Center, National Travel Survey.

Travel Spending

U.S. residents spent nearly $200 billion traveling away from home during 1982. Americans spent an average of $858 per capita on travel away from home. Americans spent more on travel in 1982 than they did for clothing, accessories, jewelry and personal care. As indicated in Table II-4, 91 percent of U.S. travel spending was on trips to domestic destinations.

The discouraging economic climate depressed domestic travel spending, producing in 1982 the smallest increase in at least a decade. Spending on foreign travel, however, rose nearly eight percent, as Americans took advantage of the strong dollar in international markets offering bargain rates in many foreign destinations. Overall, U.S. travel spending grew only two percent, about one-half the rate of total spending on all goods and services (GNP).

Table II-4: U.S. Travel Expenditures, 1981-82 ($ billions)

Purpose	1982	1981	Percent Change
Spending on domestic travel	$182	$179	1.6%
Spending on Foreign travel	17	16	7.5
Total	$199	$195	2.1%

Source: U.S. Travel Data Center, U.S. Department of Commerce: preliminary.

The benefits derived by the U.S. economy from travel and tourism are, of course, better represented by data on travel spending in our country. Table II-5 shows estimates of this spending by U.S. and foreign residents in America totaled $194 billion in 1982, only one percent above the previous year. Foreign visitors' spending here in the U.S., accounting for only six percent of total travel spending, fell seven percent for the year. This is the first such decline evident in more than thirty years.

Table II-5: Travel Expenditures in the U.S., 1981-82 ($ billions)

Source	1982	1981	Percent Change
U.S. residents	$182	$179	1.6%
Foreign visitors	11	12	-7.2
Total	$194	$192	1.0%

Source: U.S. Travel Data Center, U.S. Department of Commerce: preliminary.

The weakening of many major foreign currencies against the dollar effectively raised the cost of U.S. travel to many foreign residents. This, combined with the worldwide recession, discouraged many international visitors from traveling to the U.S. in 1982. Overall, travel spending accounted for 6.3 percent of the nation's 1982 GNP.

It is difficult to compare the size of the diverse collection of businesses that make up the travel industry to that of other industries due to a lack of valid data on sales by U.S. industries. The Census Bureau does, however, publish annual estimates of sales of a number of retail and service industries. In Table II-6, these estimates are listed for the top three industries for 1982.

Table II-6: Travel Business Receipts in the U.S. Compared to Major Retail and Service Industry Receipts, 1982 ($ billions)

Industry	Sales
Food stores	$253
Travel and tourism	183
Automotive dealers	182
General merchandise stores	131

Source: U.S. Travel Data Center, U.S. Bureau of the Census.

The $194 billion spent on travel and tourism in this country generated $183 billion for travel-related businesses once sales and excise taxes are removed, ranking the travel industry as the second largest retail or service industry in America, a position it first attained in 1981.

The wage and salary income financed by these business receipts surpass that of the nation's steel and auto manufacturing turing industries combined. The employment generated exceeds that of any other industry except health services (doctors, nurses, hospital workers, etc.). Indeed, travel generated more jobs in 1982 than the combined total employment in fourteen states.

Travel's Economic Impact

Travelers purchase goods and services, providing retail businesses with receipts. These receipts are used to purchase the goods and services needed to serve the traveler, including wages and salaries of employees. During this process, tax revenue is generated for federal, state and local governments.

As Table II-7 indicates, each of the $194 billion spent on travel in the U.S. generated 21 cents in wage and salary (payroll) income during 1982. Travel directly generated 2.6 percent of total wage and salary income during 1982, and directly supported five percent of the U.S. non-agricultural payroll employment for the year. Were acceptable data available

on the secondary impacts of travel, that is, the income, and employment generated indirectly by travel spending, then travel and tourism would loom even larger in the U.S. economy. Travel spending directly produced more than $20 billion tax revenue for federal, state and local governments. On the average, each travel dollar generated more than ten cents in tax revenue.

Table II-7: Measures of Travel's Economic Contribution, 1982: Preliminary

Expenditures in U.S.	$194 billion
Payroll income generated	$ 41 billion
Employment generated	4.5 million jobs
Federal tax revenue generated	$ 11.0 billion
State tax revenue generated	$ 7.0 billion
Local tax revenue generated	$ 2.1 billion

Source: U.S. Travel Data Center.

The nature and scope of travel's economic contributions are difficult to comprehend. The diverse nature of the industry and its services, and the predominance of small business in it, obscures the considerable benefits that accrue in receipts, jobs and income. The following pages detail the nature and trends of this dynamic economic sector of travel and the travel industry.

Travel Industry Receipts

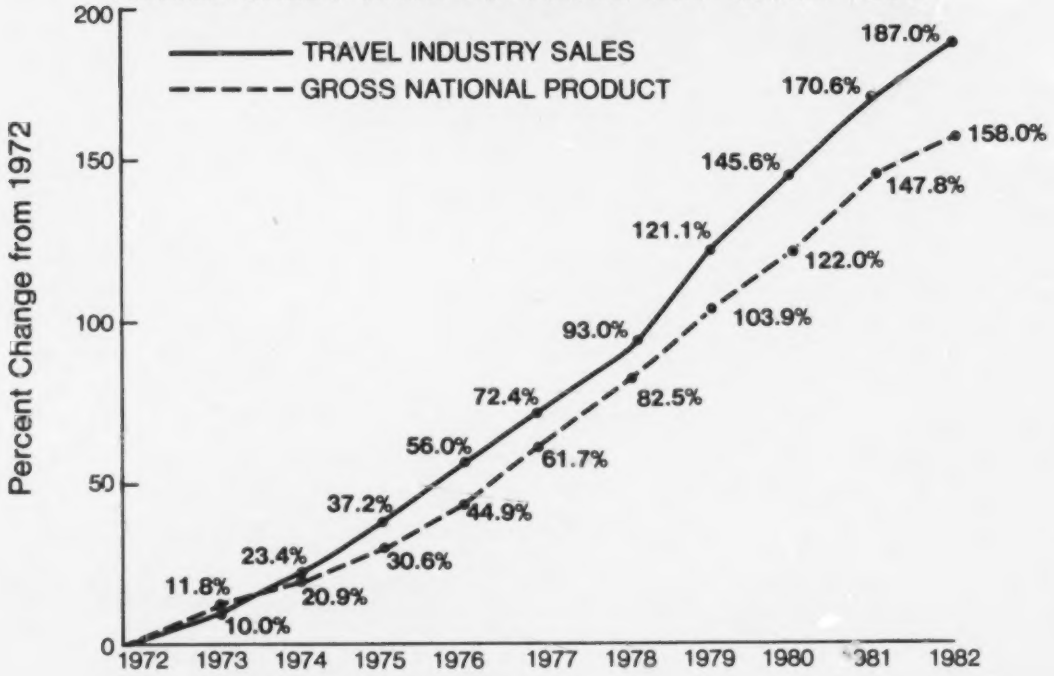
While consistent annual estimates of travel spending in the U.S. go back only to 1977, figures on travel industry business receipts are available for a decade. These absolute values should be viewed with caution since they include non-travel activity along with receipts from travelers, but their course over the years suggest how the travel industry is faring relative to the overall economy.

Total receipts of the U.S. travel industry have grown 187 percent since 1972, measurably more than the increase in the GNP over the same period (Figure 2A). The long-term compound growth rate in travel industry receipts is 11.1 percent, greater than the 9.9 percent growth rate for the nation's total output over this decade.

Travel industry receipts in 1982 grew about one-half as fast as its long-term average. Despite the recession, travel industry sales grew almost twice as fast as the overall economy as measured by GNP (Figure 2B).

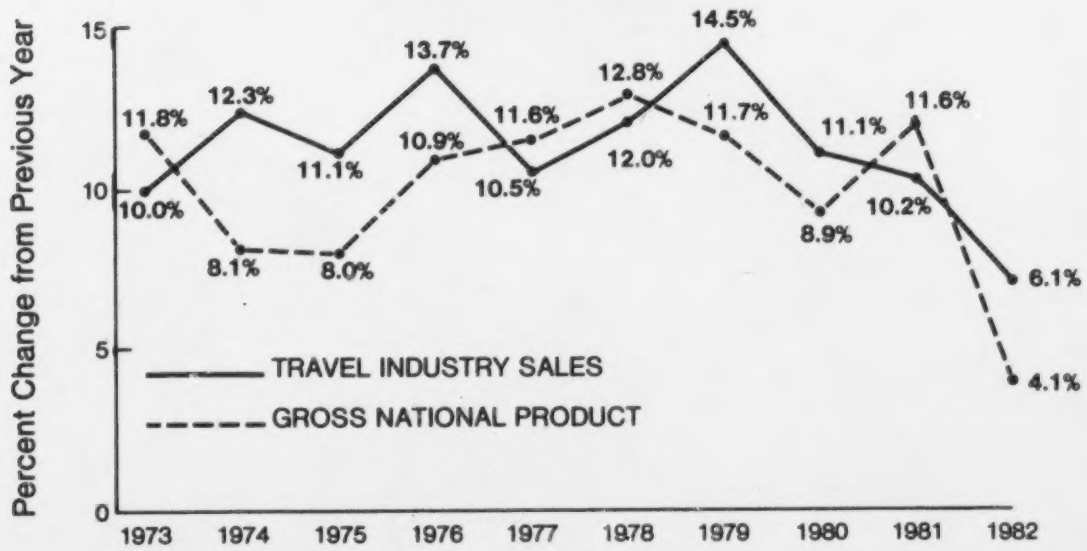
Of course, the considerable decline in price inflation we enjoyed in 1982 meant travelers could consume the same volume of real goods and services without increasing their spending substantially. It is wise on several counts to distinguish the growth in real travel demand from growth affected by price inflation.

FIGURE 2A
TRAVEL SALES HAVE OUTPACED GNP SINCE 1972



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 2A.*

FIGURE 2B
1982 TRAVEL SALES GAIN LOWEST ON RECORD, STILL EXCEEDED GNP RISE



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 2A.*

Growth in travel activity produces increased real demand for travel goods and services. But rising travel prices obscure how much industry sales growth is real and how much is merely due to price inflation. Understanding the progress of real industry growth is essential to determining whether travel and tourism are rising and producing more jobs and real income for Americans. Higher sales receipts from higher prices alone does not signal any increase in the standard of living.

In Figure 2C, the travel industry dollar sales in Figure 2A have been deflated to represent real output. Real output for the travel industry has grown more than 30 percent since 1972, somewhat more than real output for the overall economy.

FIGURE 2C
TRAVEL INDUSTRY HAS OUTSTRIPPED GNP IN REAL GROWTH SINCE 1972

SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 2B*

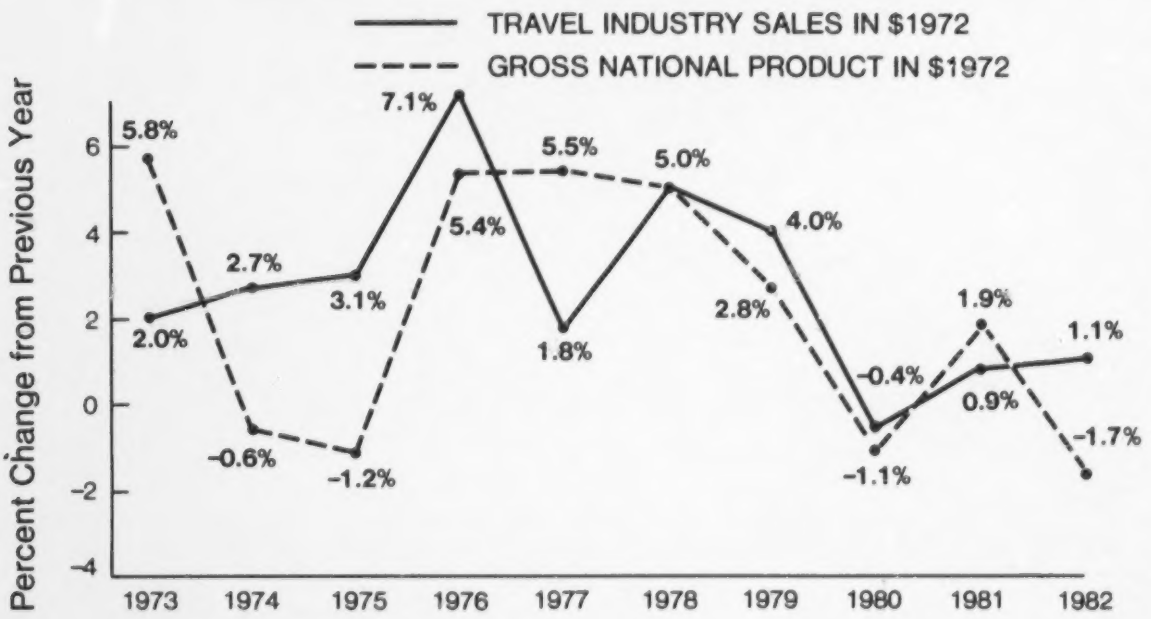
The long-term annual growth rate in real travel industry output has been 2.8 percent since 1972, considerably smaller than the 11.1 percent increase in dollar sales. This suggests that fully three-fourths of the industry's dollar gains over the last decade have resulted from higher prices and only one-fourth from increased real output.

Still, the U.S. travel industry has managed to grow faster in real terms over the last turbulent decade than our nation's overall economy. The industry's 2.8 percent real growth rate is significantly better than the 2.2 percent compound annual rate of increase in real GNP since 1972.

As figure 2D indicates, the industry's record compared to GNP has varied. During six out of the last ten years, the travel industry's real output has matched or exceeded real GNP. After declining in 1980 for the first time on record, a response to soaring gasoline and other petroleum fuel prices, real travel output rose in 1981 and 1982, while the nation's overall output actually declined in the latter year.

In sum, when not plagued by petroleum shortages or soaring fuel prices, the travel industry tends to outpace the overall U.S. economy in real production growth. In the substantial recession of 1982, the industry helped counteract the deep declines in other sectors of the economy, softening somewhat the severity of the recession.

FIGURE 2D
REAL TRAVEL SALES GROWTH EXCEEDED GNP IN 1982

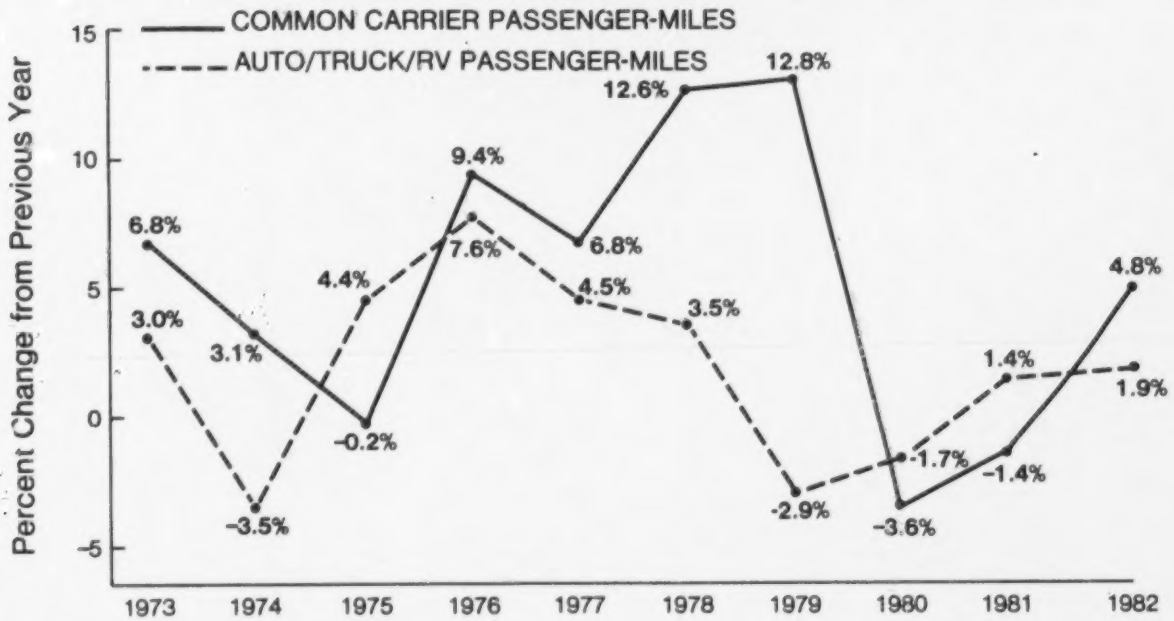


SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 2B*

Travel Transport Activity

Americans traveled nearly 1.4 trillion passenger-miles on the nation's highways and intercity air, bus and rail carriers during 1982. This is equivalent to a round trip between New York and Los Angeles for every man, woman and child in the country.

FIGURE 2E
COMMON CARRIER TRAVEL OUTPACED AUTO TRAVEL IN 1982



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 2C.*

Since 1972, common carrier travel, dominated by the nation's airlines, has grown at a compound rate of 5 percent, nearly three times the growth rate of personal motor vehicle travel (auto, truck, recreational vehicles).

The high growth rates that characterized this travel in the mid-1970's gave way to outright declines in 1980 and 1981 (Figure 2E). In 1982, led by the airlines, common carriers again reached toward the five percent annual growth rate. Personal motor vehicle travel exceeded its long-term rate of 1.8 percent in 1982, recovering from the gasoline shortages and soaring prices of earlier years.

The economic revival now in swing should boost travel by all modes in 1983. The airlines should do particularly well as consumers, feeling more secure about their economic futures, opt to travel further away from home. Petroleum fuel prices should provide no obstacle to travel growth this year.

Common carriers may increase their share of total travel in the U.S. during 1982. As indicated in Figure 2F, common carriers have apparently reached a new plateau in the 1979-82 period. Frightened by fears of gasoline shortages, many travelers reduced their highway travel and flew to their destinations instead in 1979. This became somewhat of a habit, as the carriers' share of total travel has remained at about 17 percent since.

The nation's automobile fleet is projected to become considerably more fuel-efficient during the 1980's, and few predict that petroleum prices will grow much faster than overall inflation. Consequently, it is doubtful that common carriers can increase their share through price competition. Rather, providing easy, secure and comfortable alternatives to the personal automobile should boost their portion of the overall travel market.

FIGURE 2F
COMMON CARRIER SHARE OF TRAVEL INCREASED IN 1982

SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 2C.*

Small Businesses Dominate the Travel Industry

In 1977, the most recent year for which complete data are available, there were more than one-half million U.S. firms significantly involved in serving the traveler away from home. As indicated in Table II-8, 99 percent of these were small businesses according to the size standards established by the U.S. Small Business Administration.

A strength of an industry comprised of small businesses is the opportunities it offers for individuals to own their own firms and provide specialized services. This is certainly true of the travel industry.

However, there are problems. Small businesses are less able to weather business declines than large corporations. Moreover, energy, tax, and regulatory policies that discriminate against the travel industry will impact heavily on small businesses, many of which do not have the resources to survive them. Finally, small travel businesses do not have sufficient resources to access the lucrative foreign visitor market. Yet increasing foreign travel to our nation provides substantial economic benefits.

To a major extent, the strength of the travel industry, its formidable long-term growth record, and its counter-recessionary abilities are attributable to its small-business nature. Public officials should recognize this critical travel industry attribute when considering policies, taxes and regulations that affect the industry.

Table II-8: Small Business Firms and Total Firms in the Travel Industry, 1977

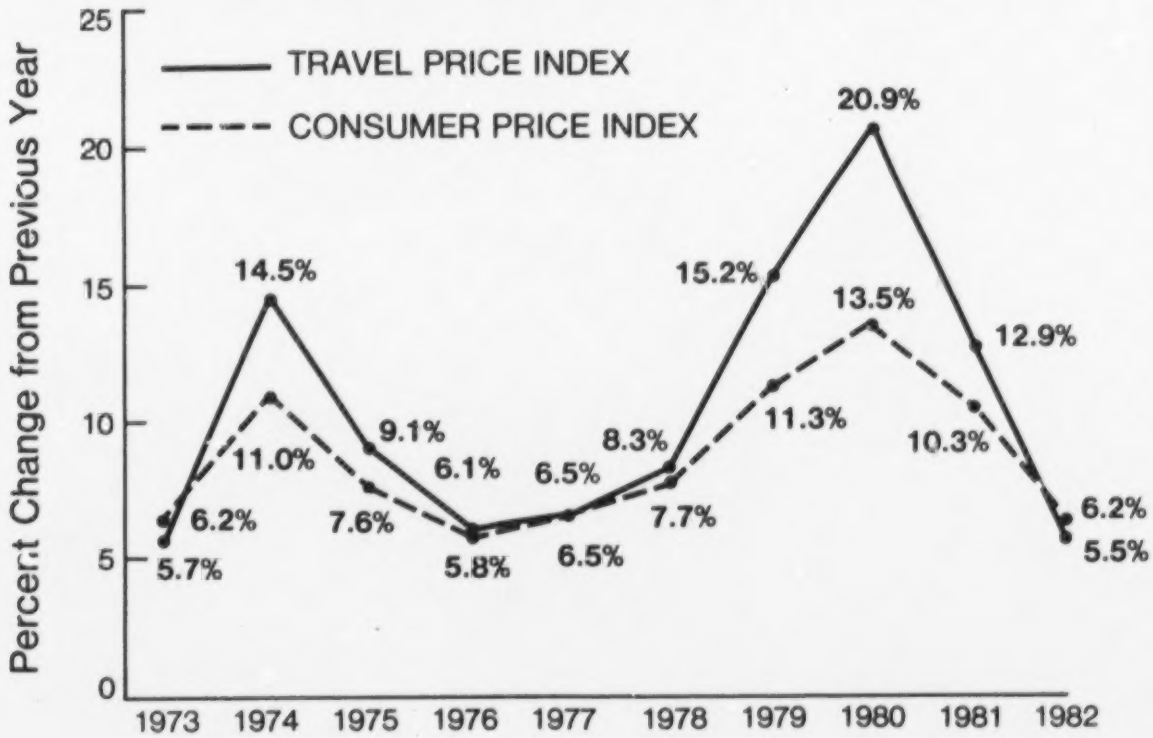
Sector	Total Firms	Small business firms	Small business as percent of total firms
Transportation			
Air	39	16	41.0
Bus	1,050	980	93.0
Rail	3	0	0.0
Lodging			
Hotels/motels	48,113	46,381	96.4
Campgrounds, trailer parks	18,745	18,726	99.9
Foodservice			
Eating and drinking places	319,195	315,288	98.8
Entertainment/recreation			
Amusement and recreation services	152,209	151,244	99.4
Travel industry	539,354	532,635	98.8

Source: U.S. Travel Data Center, based on data from U.S. Bureau of the Census, Census of Service Industries, Census Retail Trade; Small Business Administration; American Bus Association; Amtrak; World Aviation Directory.

III. TRAVEL PRICE INFLATION

Travel price inflation during the last decade has primarily been a response to petroleum costs. The double-digit inflation rates of the mid-1970's and early 1980's reflect the quadrupling of world crude oil prices in each period. Fortunately, as petroleum prices ceased their upward climb in 1981, travel prices moderated considerably as well.

FIGURE 3A
TRAVEL PRICE INFLATION DECLINED IN 1982



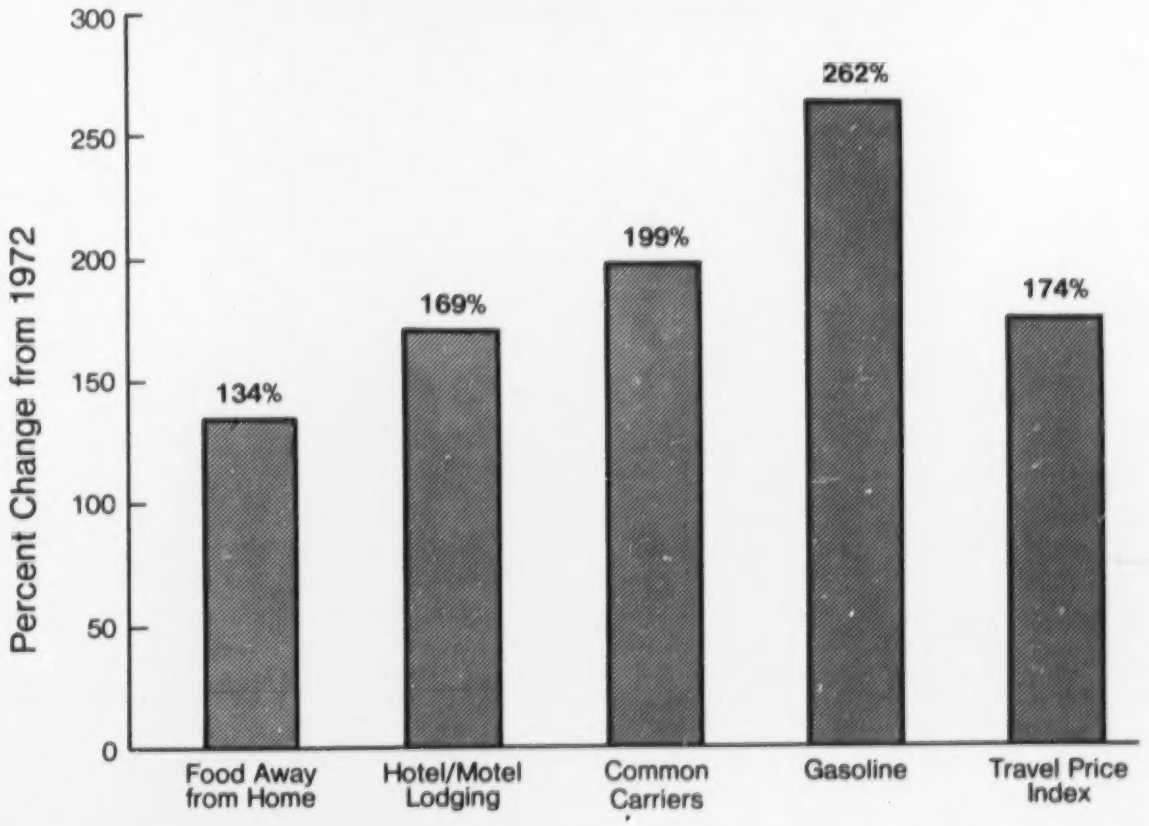
SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 3A*

Figure 3A demonstrates how the cost of travel away from home in the U.S., as represented by the Data Center's Travel Price Index, has fared over the last decade. In all but two years of the decade, travel prices have grown as fast or faster than overall consumer prices. Indeed, travel prices have increased at a compound annual rate of nearly eleven percent over the last decade versus nine percent for the Consumer Price Index.

Travel price inflation is a troublesome obstacle to the American traveler. Consumers turn to other items to fill their leisure time, businesses switch to new technologies and trip-linking to contain costs, and foreign travelers choose alternative destinations.

Fortunately, travel inflation substantially diminished in 1982, producing the smallest increase in the decade. Moreover, travel prices rose less than consumer prices overall, making travel a somewhat more attractive activity relative to substitutes.

FIGURE 3B
GASOLINE HAS LED TRAVEL PRICE SURGE SINCE 1972



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 3A.*

Much of the moderation is attributable to declining world crude oil prices. As a result, gasoline prices fell during nine months of 1982, and airline fuel prices averaged six percent less than the previous year.

These declines, as well as petroleum-price-induced moderation in other components of the travel industry, led the remarkable reductions in travel inflation.

Figure 3B suggests the importance of gasoline prices in overall travel inflation. Since 1972, gasoline prices have risen one-half faster than all travel prices together. Gasoline has clearly outpaced other travel costs over the decade. However, its price declines in 1981-82 helped reduce travel inflation below other items and set the stage for a healthy advance in travel activity and spending in 1983.

As indicated in Table III-1, gasoline prices declined five percent in 1982. Among other price categories, only lodging and rail travel prices rose significantly faster than their long-term rate of growth.

Table III-1: Travel price Inflation, 1972-1983 projected. (annual compound percent change)

Component	1972-1982	1982	Projected - 1983
Food	9%	5%	6%
Lodging	10	12	8
Gasoline	14	-5	0
Intercity rail	10	12	8
Airline fares	12	10	9
Intercity bus	10	9	9
Entertainment	6	7	7
Incidentals	7	5	5
Travel Price Index	11%	6%	6%

Source: U.S. Travel Data Center, based on U.S. Bureau of Labor Statistics data.

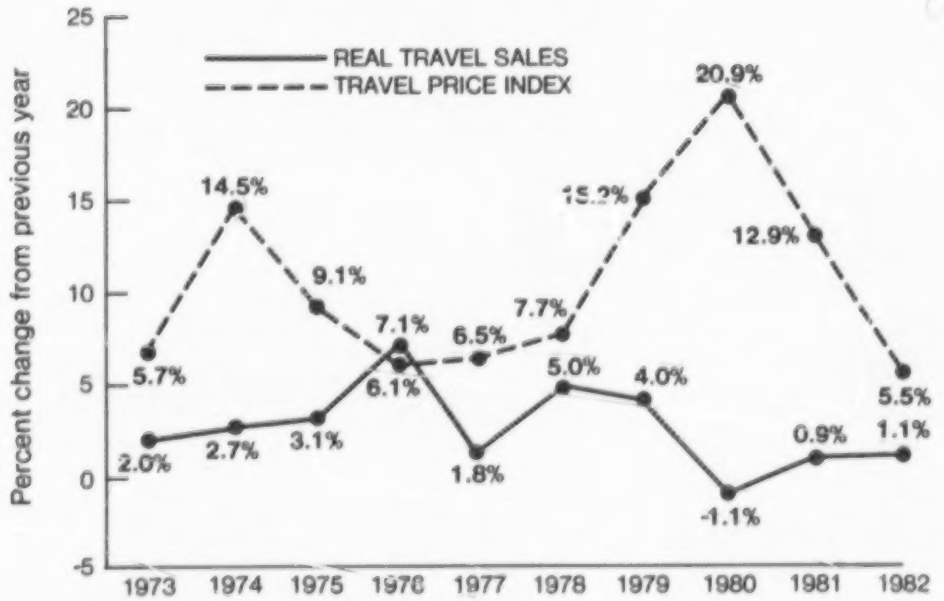
It is encouraging that these two components are projected to show the most price moderation in 1983. The hotel/motel sector is responding to increased room capacity in many areas and reduced occupancy rates over the last several years. Amtrak aims at becoming more competitive with other transport modes on many of its routes.

Lower travel price inflation means less pressure on consumer and business budgets in financing travel. This reduces the attractiveness of alternatives to business travel, such as telecommunications systems, and alternatives to pleasure travel, such as local recreation.

Travel prices' rising only six percent in 1983 coupled with the eight-percent increase projected for personal income indicates consumers will have greater margins for boosting their real travel activity in any year since 1978.

The appeal of alternatives to travel and tourism in time of soaring travel prices helps explain the relationship between real travel sales and travel inflation in Figure 3C. The travel industry's real output tends to expand faster when travel prices grow the least and to be retarded, or actually reduced, when travel price inflation rises.

FIGURE 3C
REDUCED INFLATION ENCOURAGES TRAVEL DEMAND



Source: *U.S. Travel Data Center, Tables 2B, 3A.*

This phenomenon is especially evident in the period since 1978. As travel prices moderate, we can expect to see the industry's rate of real growth rise as potential travelers again view this activity as a more attractive buy.

Business operators, employees and consumers alike should encourage public officials to avoid policies that raise the cost of serving the traveler. Changes in the minimum wage, payroll taxes and regulations can all raise the retail price of travel and prevent many from taking advantage of the business opportunities and leisure satisfaction that travel offers.

For its part, the travel industry should continue to seek ways to provide travel products more efficiently. The future will belong to those industry components that are most successful in providing product value at competitive prices.

IV. TRAVEL AND EMPLOYMENT

Travel and tourism in the U.S. directly generated 4.5 million jobs in 1982, five percent of total payroll employment in the nation. The travel industry is the second largest private employer in the U.S. and has continually demonstrated its ability to create new jobs faster than the rest of the economy, provide a disproportionate share of jobs for the traditionally disadvantaged, and to produce employment opportunities during economic recessions.

Travel Creates New Jobs Rapidly

The travel industry continues to outperform the overall U.S. economy in creating new job opportunities. Since 1958, the earliest year for which complete data are available, payroll jobs in travel-related businesses have increased 183 percent (Figure 4A), according to the U.S. Department of Labor. This is considerably more than twice as fast as the growth in total U.S. payroll employment over the 1958-82 period.

The travel industry contributed nearly eleven percent of the 38 million new jobs created since 1958. Without this growth, overall U.S. employment would have been lower by nearly 4.1 million jobs in 1982.

Travel Provides Jobs for the Disadvantaged

Minority groups, women and youth have generally registered higher unemployment rates than average for all workers in this country. These Americans have traditionally found it more difficult than others to find jobs.

The U.S. travel industry has proved itself to be a dependable source of abundant job opportunities for these groups. As indicated in Table IV-1, blacks and other minority groups account for over 13 percent of all jobs in the travel industry, a higher percentage than their share of overall U.S. employment. Women hold over 54 percent of travel industry jobs, a proportion one-quarter higher than their overall share.

Table IV-1: Minority Group and Female Share of Employment, 1982

Group	Employment share in the travel industry	Employment share in all U.S. industries
Minority	13.1%	11.7%
Women	54.6	43.5

Source: U.S. Travel Data Center, Based on data from the U.S. Bureau of Labor Statistics.

Detailed data on youth employment in the travel industry are not available. However, special studies indicate that 24 percent of those working in foodservice are teenagers, and three-fourths of those working for private amusement parks and attractions are under 20 years of age. When compared to the fact that teens accounted for less than seven percent of total U.S. employment in 1982, it is evident that the travel industry is doing far more than its share in providing jobs for this group.

Travel Creates Jobs in Recession

One feature of the travel industry employment curve in Figure 4A is that it rises for every year shown. Despite five recessions since 1958, the travel industry has managed to produce more jobs each year than the last.

The 1981-82 recession began in July 1981. As indicated in Figure 4B, total U.S. employment fell below its 1981 levels for every month of 1982. By the recession's trough in December, the overall economy had lost 2.1 million jobs from its year-earlier level.

The travel industry, on the other hand, increased employment in 14 of the 18 months of recession. It was only in October 1982 that the industry succumbed to the effects of this extraordinary recession and employment was reduced from 1981. By December, travel industry jobs were only 52 thousand below their year-earlier level, contributing less than three percent to the nation's total job loss.

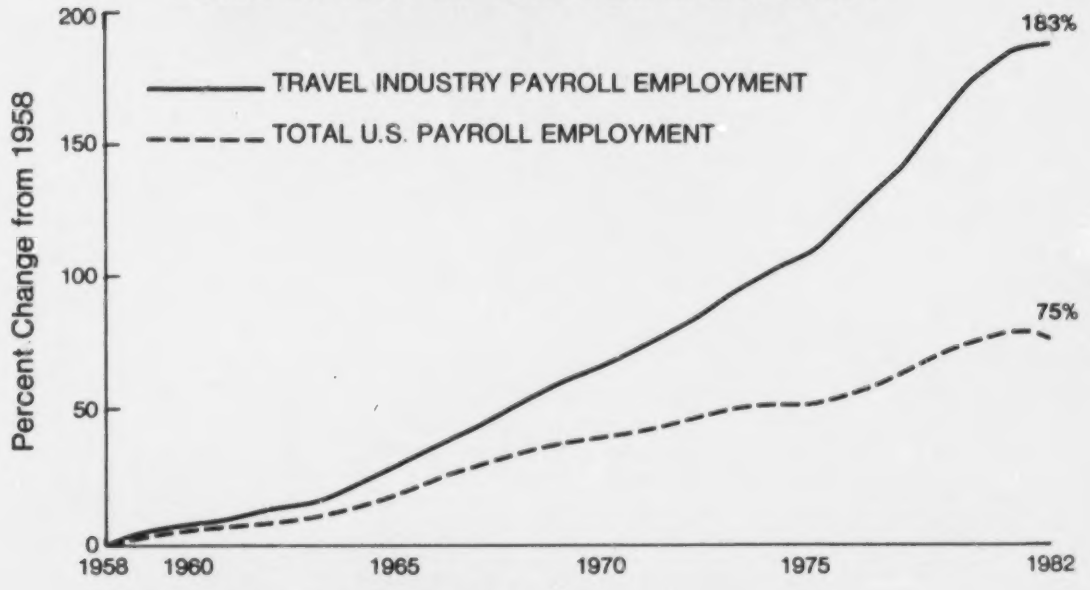
For the 1982 recessionary year, the overall economy provided 1.6 million fewer jobs than it did previous year. Countering this trend, the travel industry increased employment by 39 thousand to maintain its unbroken record of 24 straight years of employment growth.

The recovery that began in January 1983 has not yet reversed the overall decline in U.S. employment. However, the travel industry has been quick to respond. By March 1983, travel industry employment was 16 thousand jobs higher than its year-earlier level, while total U.S. payroll employment was still 1.5 million jobs below March 1982.

The nation has long recognized that providing job opportunities for its citizens is its top economic priority. The travel industry has done an outstanding job of creating new jobs over the years.

Public officials and others concerned with reducing unemployment should investigate ways of enhancing the travel industry's extraordinary ability to create jobs. These include providing an overall environment conducive to long-term growth with price stability, augmenting industry efforts in foreign markets, and avoiding tax and regulatory policies that make it difficult for the travel industry to continue to provide abundant job opportunities year after year.

FIGURE 4A
TRAVEL INDUSTRY EMPLOYMENT HAS GROWN TWICE AS FAST AS TOTAL U.S. EMPLOYMENT



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 4A.*

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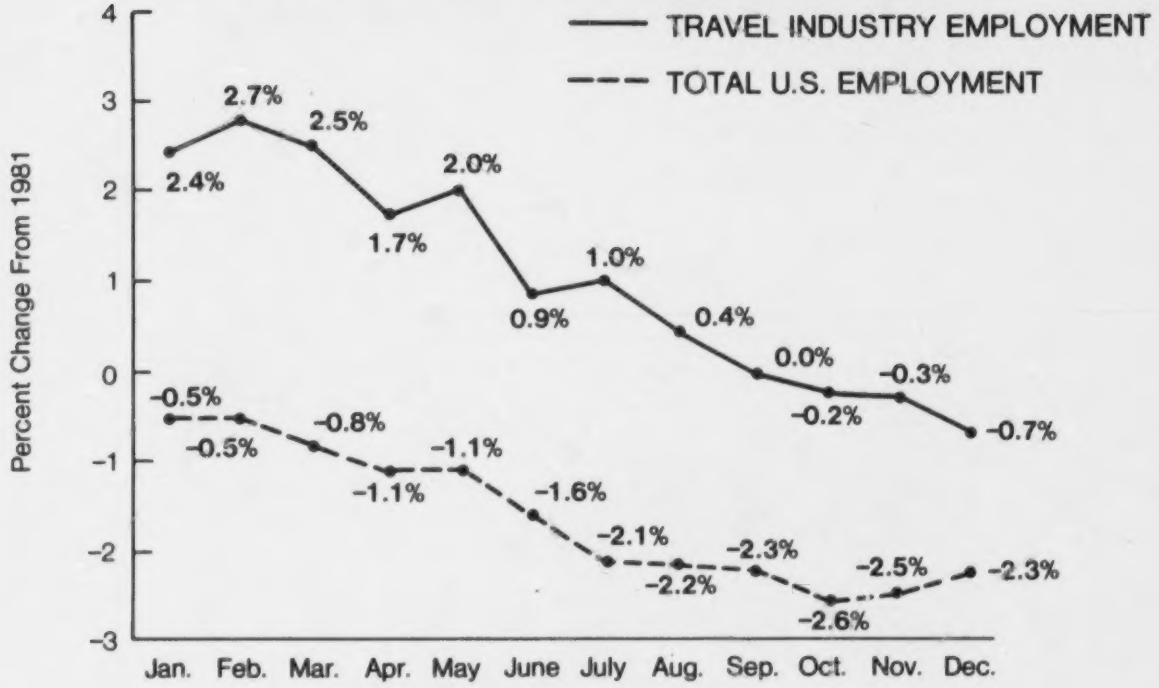
FIGURE 4B
TRAVEL INDUSTRY EMPLOYMENT GREW THROUGH MOST OF RECESSIONARY 1982



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 4B.*

V. TRAVEL AND ENERGY

Travel and tourism cannot be without transportation. In the U.S., transportation is dependent on petroleum fuels for 97 percent of its energy needs. Consequently, our current transportation system and the transportation activity we enjoy could not exist without adequate petroleum supplies.

From the perspective of transportation's petroleum requirements and national consumption, this sector accounted for 61 percent of total oil products consumed in 1982. In times of petroleum supply disruptions, transportation must bear a major share of reductions by virtue of its extensive needs.

This reasoning does not necessarily extend to travel and tourism, however, as Figure 5A makes clear. In 1982, travel away from home accounted for only 9.2 percent of total U.S. petroleum consumption. Auto travel, including trucks and recreational vehicles, accounted for over half of the 512 million barrels of oil travel consumed in travel away from home. Air travel, including general aviation and certificated air carriers in domestic service, accounted for most of the remainder.

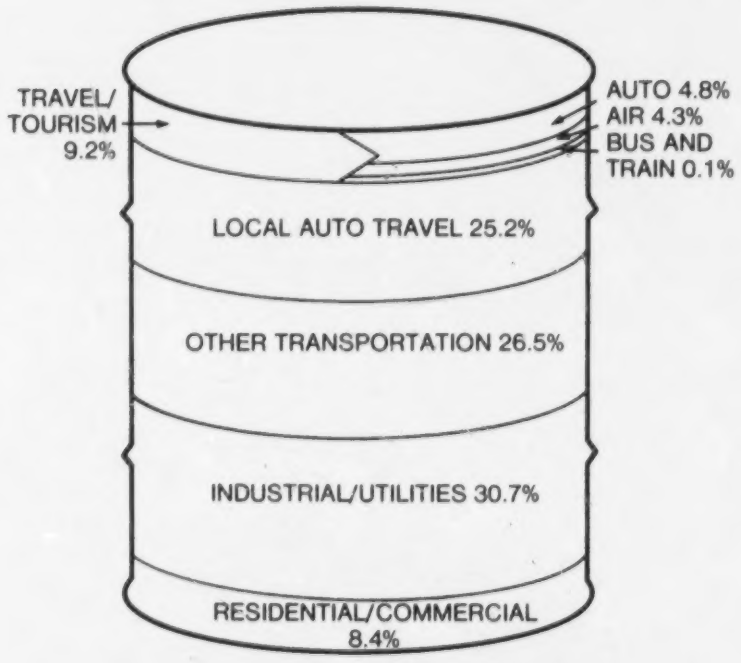
Certificated air travel, personal motor vehicle travel, and Amtrak all consumed less petroleum in 1982 than 1981. Consumption for general aviation and intercity bus travel, however, increased. In all, petroleum consumption for travel transportation fell 1.1 percent, while total U.S. consumption declined five percent.

Travel and tourism transportation comprised less than four percent of the nation's energy requirements in 1982 (Figure 5B). This is considerably less than other sectors, yet it supports a substantial amount of economic activity. For example, each barrel of petroleum consumed in 1982 permitted $378 in travel spending. There was one job directly attributable to travel and tourism for every 14 gallons a day consumed by travelers in America.

Travel and tourism transportation is contributing its share to energy conservation. It is enlightening to note that while intercity passenger-miles increased 2.4 percent in 1982, total petroleum fuel consumed by travel and tourism fell by more than one percent. Investment in more efficient transportation equipment by the nation's airlines, bus companies, and railroads, as well as automobile and recreational vehicle owners, now allows growth in travel while energy declines.

In short, travel and tourism requires a small amount of energy to make large contributions to our economic welfare and quality of life. In times of petroleum shortage, little could be saved by drastically cutting back travel's consumption. Rather, Americans could reduce commuting, shopping and other local uses of personal motor vehicles by one-third and save as much as total elimination of travel and tourism would.

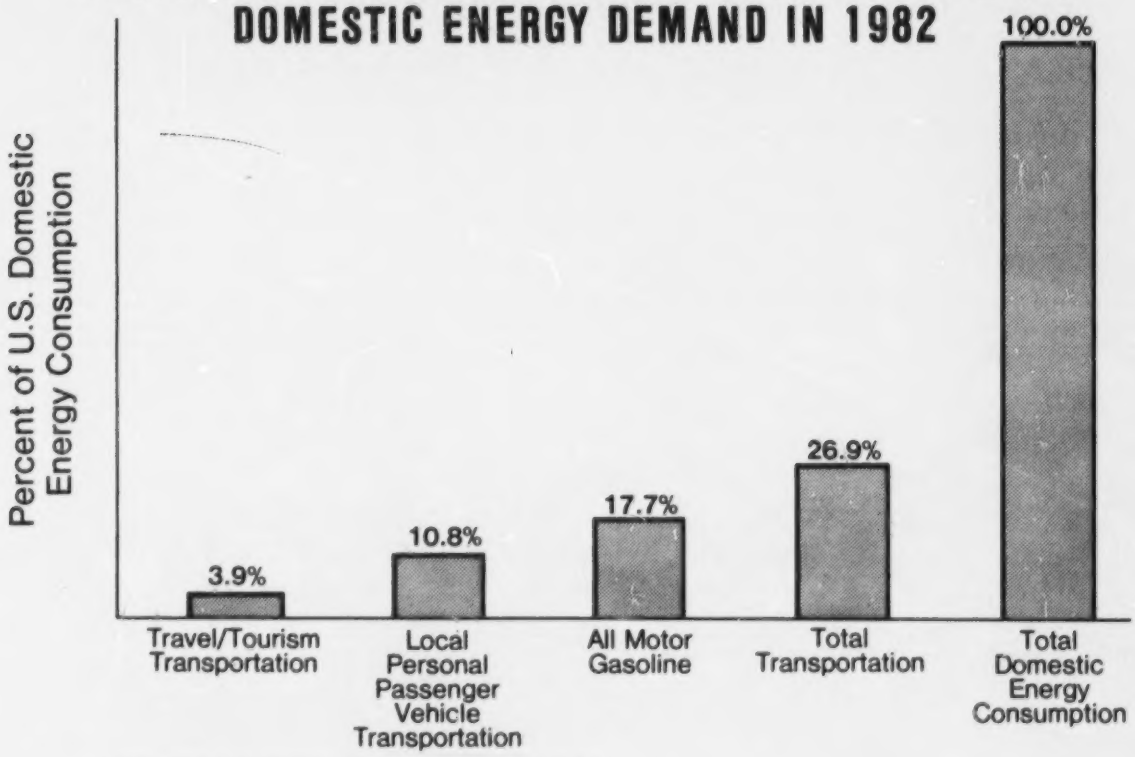
FIGURE 5A
TRAVEL AND TOURISM ACCOUNT FOR ONLY 9% OF DOMESTIC PETROLEUM CONSUMPTION



U.S. Consumption of Petroleum in 1982 was 5,567.5 Million Barrels.

SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 5A.*

FIGURE 5B
TRAVEL AWAY FROM HOME COMPRISED ONLY 3.9% OF DOMESTIC ENERGY DEMAND IN 1982



SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 5B.*

VI. INTERNATIONAL TRAVEL TRENDS

Twenty-one million foreign visitors to the U.S. in 1982 made considerable contributions to our economy. As indicated in Table VI-1, they spent $11.3 billion while here, and directly supported 270 thousand jobs. In the process, more than $1.1 billion was generated for federal, state and local governments in tax revenue.

Table VI-1: Measures of Foreign Visitors' Economic Contribution, 1982: Preliminary

Expenditures in U.S.	$11.3 billion
Payroll income generated	$ 2.4 billion
Employment generated	270 thousand
Federal tax revenue generated	$640 million
State tax revenue generated	$410 million
Local tax revenue generated	$120 million

Source: U.S. Travel Data Center.

Unfortunately, these contributions were less than the previous year, as U.S. inbound tourism suffered from the worldwide recession and a U.S. dollar unusually strong against many major foreign currencies.

Nineteen-eighty-two saw the first decline in the number of foreign visitors to the U.S. in twenty years, and the first drop in these visitor expenditures in thirty. This is especially surprising since 1981 was the first year we earned more from foreign visitor spending than we spent traveling to other countries.

As indicated in Table VI-2, foreign visitors to the United States numbered nine percent fewer in 1982 than the previous year. This considerably exceeds the worldwide decline in international arrivals of about one percent.

Canada accounted for somewhat less than one-half of our arrivals for the second year in a row. This important market was weakened by the continuing, severe recession in Canada and a Canadian dollar buying less in the U.S. In this unpleasant environment, we are fortunate that Canadian travel spending did not decline here.

Mexico, our second most important source of foreign visitors, showed remarkable declines. Arrivals fell 32 percent in 1982, and expenditures here dropped one-quarter. During 1982, the U.S. dollar became six times more costly in terms of Mexican pesos, effectively pricing U.S. destinations out of the market for many Mexicans.

Table VI-2: Foreign Visitors and Expenditures in the U.S., by Selected Country of Origin, 1982

	Visitors		Visitor expenditures	
Country of Origin	Millions	Variation from 1981	$ millions	Variation from 1981
Canada	10.430	-4.6%	$2,624	0.0%
Mexico	2.600	-31.6	2,848	-24.6
Japan	1.220	4.3	952	+10.1
United Kingdom	.980	-20.0	457	-14.6
West Germany	.640	-8.6	533	-4.3
Venezuela	.520	1.0	N.A.	N.A.
France	.310	-6.1	230	-2.1
Total U.S.	20.910	-9.4%	$11,293	-7.2%

Note: Excludes international passenger fare payments and cruise travelers.
Source: U.S. Travel and Tourism Administration, and Bureau of Economic Analysis, U.S. Department of Commerce.

Japan rose to occupy the number three position in terms of foreign visitors and visitor expenditures again in 1982, a healthy contrast to the generally disappointing international travel year. A stable exchange rate against the dollar, an economy relatively unaffected by the worldwide recession, and the continued popularity of U.S. destinations among the Japanese people continued to stimulate "visit USA" travel, offsetting somewhat the declines from other areas.

The United Kingdom fell to fourth place as a source of foreign visitors with a twenty-percent drop in arrivals. The declining value of the British pound in terms of dollars and historically high unemployment rates depressed British arrivals here after four years of double-digit increases.

West Germany, Venezuela and France round out the top seven countries supplying foreign visitors to the U.S. in 1982. Problems with exchange rates and internal economic growth reduced German arrivals for the first time in eight years, while austerity restrictions announced by the French government in

early 1982 discouraged many from visiting the U.S. Venezuela continued to show a small increase in visitors, but expenditure data are not available at this time.

In short, the "visit USA" market, which outpaced domestic U.S. travel and tourism for many years, succumbed to adverse economic developments in 1982. Improvements in 1983 depend upon worldwide economic recovery and some weakening of the dollar against major foreign currencies. This, coupled with our relatively low rate of inflation and unmatched diversity of attractions and quality travel facilities, can again raise inbound tourism to the position of growth sector in the American travel economy.

Current projections based upon U.S. Travel and Tourism Administration research suggest that foreign visitors and their expenditures in the U.S. will again decline in 1983. However, more effective marketing in selective nations by both business and government could turn this into modest growth.

Although they comprise nearly one-half of foreign arrivals in the U.S., Canadian visitors account for less than one-quarter of the foreign visitor spending here. This suggests considerable diversity in the spending patterns of foreign visitors in the U.S.

Table VI-3: Average Expenditure in the U.S. per Visitor from Selected Countries, 1982

Origin Country	Average
Canada	$252
United Kingdom	466
Japan	780
West Germany	833
France	742
All countries	$540

Source: U.S. Travel Data Center, Table VI-2.

Table VI-3 shows the average spent per visitor from five of our top originating countries in 1982. Reliable data on other countries are not currently available. The average foreign visitor spent $540 while in the U.S., a scant 2.4 percent increase from 1981. Canadians showed the lowest per capita spending with less than half the overall average. West Germany appears with spending fifty percent higher than the overall average. These suggest the most lucrative markets for U.S. travel promotions.

U.S. Outbound Travel

The mirror image of foreign currencies' buying less in terms of U.S. dollars is a reduction in costs of U.S. travel in foreign countries. We would expect the strengthening of the dollar in 1982 to stimulate a surge of U.S. travel to foreign destinations. Actually, Americans were quite selective in choosing foreign destinations, as Table VI-4 shows.

Table VI-4: U.S. Travelers and Expenditures in Selected Foreign Countries, 1982

	U.S. travelers		U.S. expenditures	
Country Visited	Millions	Variation from 1981	$ millions	Variation from 1981
Canada	10.974	-3.5%	$1,936	-6.5%
Mexico	3.580	4.3	3,324	16.1
United Kingdom	1.489	16.2	895	-6.0
France	1.005	16.5	464	23.7
West Germany	1.061	27.2	411	13.9
Italy	.876	20.7	490	62.8
Bahamas	.768	8.9	340	39.9
Total U.S.	23.148	1.2%	$12,394	8.0%

Note: Excludes international passenger fare payments and cruise travelers.
Source: U.S. Travel and Tourism Administration; Bureau of Economic Analysis, U.S. Department of Commerce.

Overall, U.S. travel to foreign destinations increased only one percent in 1982, while spending in these countries increased eight percent. U.S. travel to Canada actually declined despite the more favorable exchange rates available to U.S. residents, and our northern neighbor garnered fewer than one-half of U.S. outbound travelers.

Travel to Mexico grew slowly even though by the end of the year the peso cost Americans only one-sixth what it did at the beginning. But the country did garner one-quarter of all U.S. international visitor dollars while attracting only 15 percent of our international travelers.

Flows to European countries, however, displayed patterns we would expect based upon exchange rate changes. U.S. visitors to Italy increased 21 percent while spending there was up by almost

two-thirds. Travel to West Germany increased by more, but spending was not as robust. France enjoyed more U.S. tourists and their dollars, while the United Kingdom indicated the unusual pattern of considerably more U.S visitors but less spending in 1982.

American travelers spent an average of $542 on international travel in 1982, exclusive of international passenger fares. Per capita international travel spending grew only seven percent, surprising in view of the exchange rate bargains in many countries.

Table VI-5: Average Expenditure per U.S. Traveler in Selected Foreign Countries, 1982

Country visited	Average
Canada	$176
United Kingdom	601
France	462
West Germany	387
Italy	559
Bahamas	443
All countries	$542

Source: U.S. Travel Data Center, Table VI-4.

As Table VI-5 shows, the amounts varied substantially among countries visited. U.S. visitors to the United Kingdom spent three and one-half times the amount those to Canada spent. These patterns reflect different lengths of stay in various countries, as well as exchange rates and internal price structures.

In sum, U.S. outbound travel and travel spending did not grow as much in 1982 as exchange rate changes would suggest. The U.S. recession may have prevented many Americans from acting on their international travel desires. If so, we would expect to see U.S. outbound travel increase considerably in 1983 unless the dollar declines markedly in international exchange markets.

International Travel Balances

Progress toward permanent surplus in our international travel account was dealt a severe blow in 1982 (Figure 6A). After declining for more than a decade, the difference between what foreign visitors spend here less what we spend traveling in foreign countries reached a positive balance in 1981 for the first time in the postwar period.

FIGURE 6A
THE INTERNATIONAL TRAVEL SPENDING GAP REAPPEARED IN 1982

SOURCE: U.S. TRAVEL DATA CENTER, TABLE 6A

The strong U.S. dollar and worldwide recession brought us back into deficit to the tune of more than $1.1 billion in 1982. Current developments suggest that this deficit will widen in 1983, particularly as more Americans travel abroad to take advantage of exchange rate bargains. As a result, we can expect less economic stimulus from international travel spending in the coming year than in 1982.

Our poor performance in our international travel spending balance is over-shadowed by the extraordinary loss in our international passenger transportation account. This account records what U.S. airlines earn from international transportation of foreign travelers less what U.S. residents pay foreign carriers to fly to foreign destinations.

As Figure 6B makes clear, our deficit on international passenger fares widened in 1982 as receipts from foreign passengers remained stable while U.S. spending with foreign air carriers grew six percent. The resulting deficit of $2.3 billion is the largest in our international travel history.

FIGURE 6B
U.S. INTERNATIONAL PASSENGER FARE DEFICIT WIDENED IN 1982

SOURCE: *U.S. TRAVEL DATA CENTER, TABLE 6B.*

It is clear we are losing out in the competition for international air travel. Over the last decade, our carriers have increased receipts by only $2 billion while foreign carriers have picked up $3.1 billion more of our American international travel business. This trend has weakened our international air carriers and deprived us of the economic benefits of more rapidly rising foreign traveler expenditures.

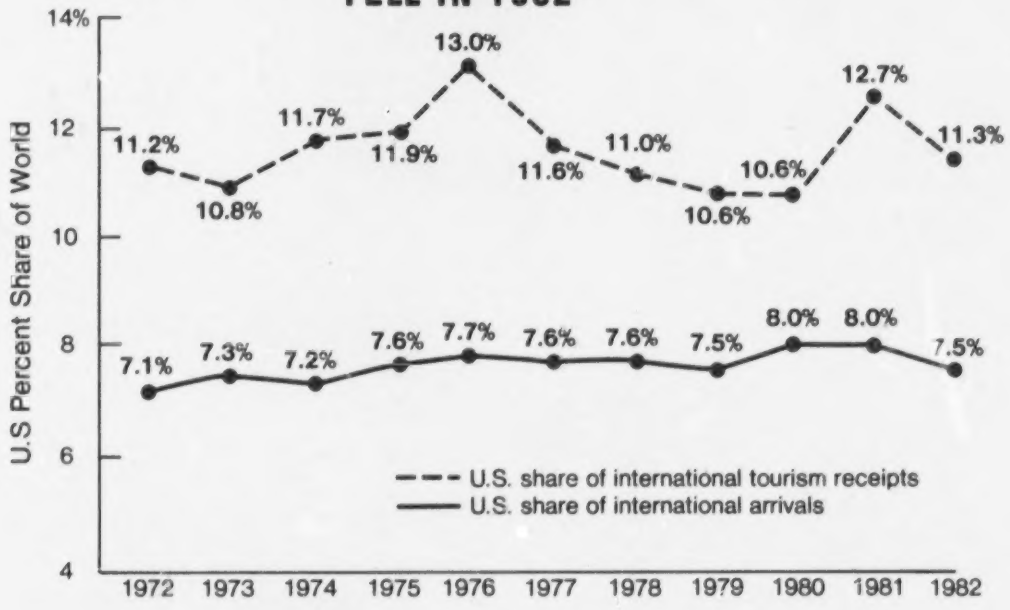
The international passenger fare deficit will continue to widen as foreign carriers grow more successful in attracting U.S. travelers, continuing to carry a sizable portion of the volume of foreign nationals visiting the U.S. In some cases, U.S. carriers are prevented from competing on a fair basis with foreign airlines by foreign governments' restrictive policies. The passenger fare deficit will grow, and U.S. carriers will continue to lose market share until impediments to fair international air travel competition are removed and American carriers aggressively compete for what is sure to be a growing market.

Declining Market Share

The drop in inbound travel the U.S. suffered in 1982 may be a temporary aberration. A weakening U.S. dollar and strengthening world economy may propel us to positive balance in the immediate future. But we face a chronic problem of declining market shares of world international arrivals.

As Figure 6C indicates, we not only lost visitors and their spending in 1982 but market share as well. We attracted only 7.5 percent of all international arrivals, down from the eight percent of the two previous years. It is clear our recent (up to 1982) growth in foreign visitors and expenditures was the result of the rising world tide lifting all boats rather than aggressive efforts to improve our share of the world travel market.

FIGURE 6C
U.S. SHARE OF INTERNATIONAL ARRIVALS AND RECEIPTS FELL IN 1982



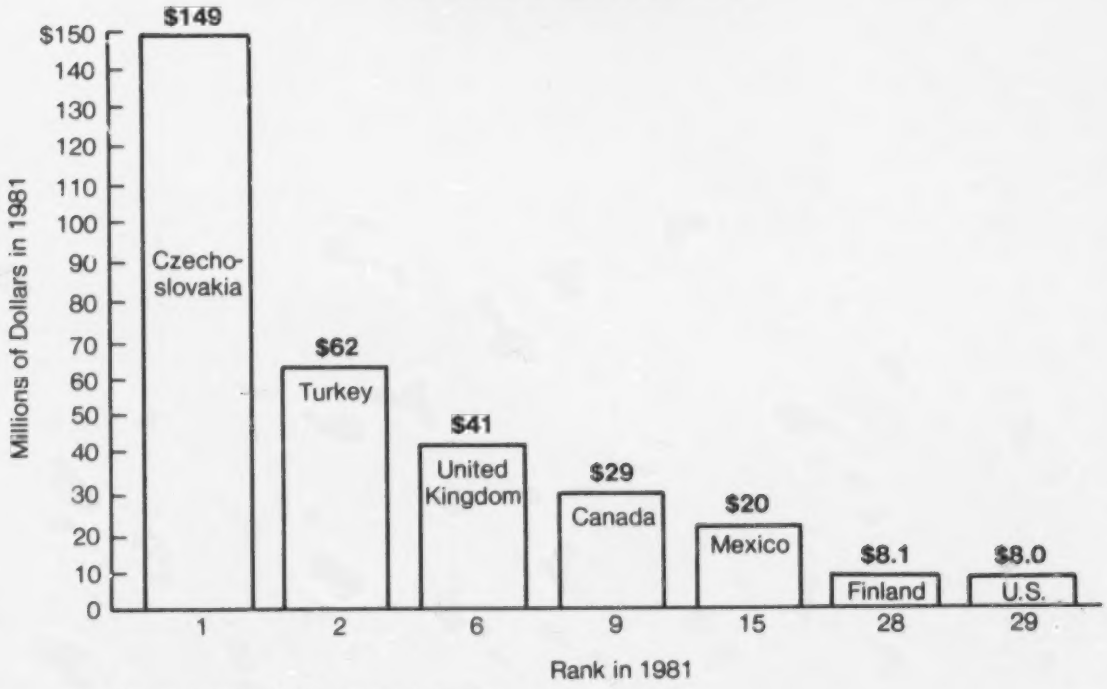
Source: *U.S. Travel Data Center, Table 6C.*

Nowhere is our declining presence in world tourism markets more evident than in our national government budget for international tourism promotion. After peaking at more than $14 million in fiscal 1978, the budget for the U.S. Travel and Tourism Administration (successor to the U.S. Travel Service)

If we use the increase in overall consumer prices to represent inflation over these years, the federal government is spending one-third as much in real terms on developing foreign tourism markets now as it did five years ago.

The U.S. is falling behind other nations in attracting foreign visitors. Figure 6D graphically portrays our current failure to devote sufficient public resources to garnering a larger share of international tourism. These twenty-eight other countries, some much less able than we to finance tourism development, cannot all be wrong.

FIGURE 6D
U.S. RANKS 29th IN NATIONAL GOVERNMENT TOURISM SPENDING

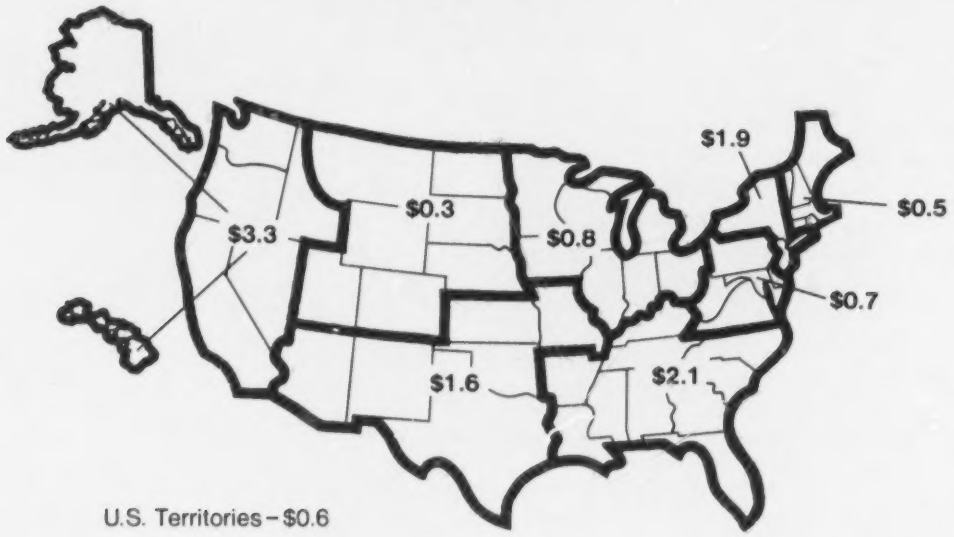


Source: *U.S. Travel Data Center, Table 6D.*

Figure 6E suggests the stake that various U.S. regions have in seeing that the U.S. develops a strong position in international travel markets. In 1981, foreign visitors spent over $3 billion in the Far West alone, generating substantial employment and income in the process. The South, too, enjoys considerable economic benefits from these markets.

Other regions gain less, but the amounts are still substantial relative to their economies. Additional resources devoted to foreign tourism markets could considerably increase the flow of foreign visitors and dollars to these areas.

FIGURE 6E
FOREIGN VISITOR EXPENDITURES IN U.S. REGIONS, 1981
($ billions)



Source: *U.S. Travel Data Center, Table 7B*

We cannot expect the public agencies and private enterprises in these regions to do the job of nurturing foreign visitor markets alone. The official state travel development offices are already spending as much to develop foreign tourism markets as the federal government. The private sector, predominantly small travel businesses, generally cannot afford the considerable costs of taking effective positions in foreign markets and often lack the expertise required.

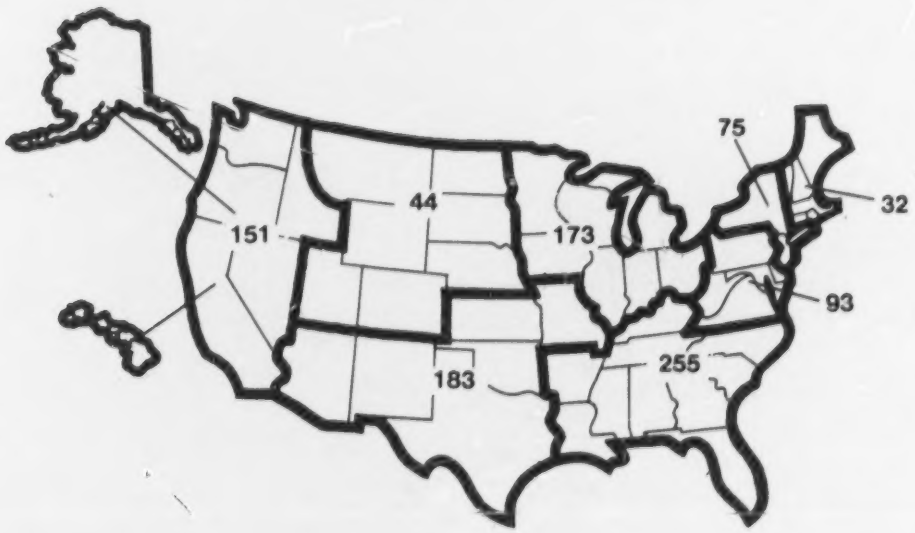
Rather, the federal government with its commitment to regional economic development and small business growth and its familiarity with operating in foreign business environments should take a more positive stand. An enlarged budget for the U.S. Travel and Tourism Administration, to raise the U.S. a few steps above its cellar position in world tourism development, would be of considerable help.

VII. REGIONAL TRAVEL PATTERNS

Americans enjoy traveling in their own country. The U.S. Travel Data Center estimates they took over one billion person-trips to U.S. destinations 100 miles or more away from home in 1982. These trips include business and vacation, air and auto trips, summer and winter trips, in short, all kinds of travel away from home.

Figure 7A shows the destination of 1982 travel away from home by the eight travel regions originally developed by Discover America Travel Organizations (now the Travel Industry Association of America). The estimates were derived from the Data Center's National Travel Survey, conducted monthly.

FIGURE 7A
U.S. RESIDENT TRAVEL BY DESTINATION REGION, 1982
(millions of person-trips)



Source: *U.S. Travel Data Center, National Travel Survey*

The South includes the greatest number of states and is the most popular regional travel destination. In 1982, this region attracted one-quarter of all U.S. trips. The Frontier West region ranked second with 17 percent. New England garnered the least number of U.S. travelers.

Regional Economic Impact

Travel's economic contribution in a region starts with travel spending there. Travel expenditures are a function not only of the number of trips to a region, but the number of days spent there and the eating, lodging, amusement and transportation habits of visitors. The Data Center's Travel Economic Impact Model was developed to combine estimates of these factors to produce the measures of employment, income and tax revenue generated by travelers in an area.

The 1981 estimates of U.S. and foreign visitor spending in each region are shown in Figure 7B. Despite its edge of attracting American travelers, The South was second to the Far West in total travel expenditures in 1981, the latest year available. Each of these two regions garnered about one-fifth

FIGURE 7B
U.S. AND FOREIGN TRAVEL EXPENDITURES IN U.S. REGIONS, 1981
($ billions)

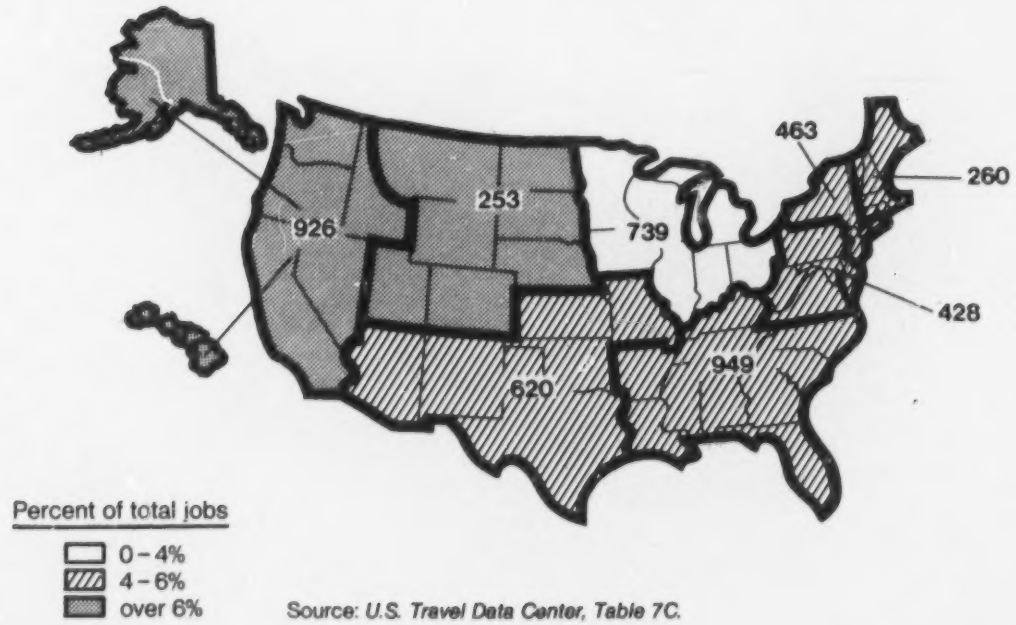
Source: *U.S. Travel Data Center, Table 7B*

of the $192 billion total travel expenditures in the U.S. for the year. Even the Mountain West, which had the smallest portion of 1981 travel spending, received more than $8 billion from travelers.

Individual states and cities as well as regions benefit from travel and tourism activity. Indeed, travel contributes to the economy of virtually all local areas in the nation. The U.S. Travel Data Center has conducted studies of travel's economic impact in nearly 1,700 of the nation's 3,100 counties and county-equivalents since 1978. In only three of these counties was it found that travel made no measureable economic contribution. There are few industries that can boast of such widespread contributions.

One of the most important benefits of travel is the employment it generates. Figure 7C shows the regional distribution of the more than 4.5 million jobs directly attributable to travel for 1981.

FIGURE 7C
EMPLOYMENT GENERATED BY U.S. AND FOREIGN TRAVELERS IN U.S. REGIONS, 1981 (thousands)



Source: *U.S. Travel Data Center, Table 7C.*

The South leads all other regions with nearly one million travel-generated jobs in 1981. The Far West, leader in travel expenditures, holds a close second place. The Mountain West shows the least number of travel jobs, but still tops one-quarter million.

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These absolute figures do not nessarily represent the importance of travel and tourism to the regions. For example, the 253 thousand travel-related jobs in the Mountain West is only about one-third the total in the South. However, travel in the Mountain West provides more than seven percent of the jobs in the region, against five percent in the latter (see Table 7C in Appendix A).

Major industrial regions, such as the Great Lakes area, indicate the least dependence on travel and tourism for employment. However, these regions still have a significant stake in the growth and prosperity of travel as a replacement for older industries now in decline.

Travel is a powerful economic development force in many areas. Data Center studies show that travel and tourism generate more jobs than any other private industry in 13 states and is among the top three private employers in 39 states. In no state does travel rank lower than tenth among the 69 private sector industries studied.

Public officials and business executives concerned with facilitating regional economic development should consider policies that encourage travel development and avoid those that impede tourism's unique abilities to generate employment and regional economic development.

VIII. CONCLUSION

The 1981-82 economic recession, one of our country's worst in terms of unemployment rates and job loss, reduced travel along with most other consumer and business activities. But unlike many other sectors, the travel industry did not succumb until late in the downturn. Through most of the 18-month economic decline, the industry continued to create more jobs, helping offset the devastating national decline.

Even at the depths of the recession in late 1982, travel and tourism provided important economic benefits across the country and offered leisure and business opportunities to 150 million Americans. Moreover, travel price inflation reached the lowest levels in a decade and energy consumption fell even while transport miles increased.

International travel trends turned against us as the worldwide recession, and adverse dollar exchange rates for many countries discouraged foreign residents from visiting America. There was no credible U.S. presence in international travel markets to alleviate the impact of these economic trends, and the U.S. suffered the first foreign visitor spending decline in three decades.

Despite these buffets, travel away from home and the industry that serves it maintained a major presence on the national scene. Americans took more trips to places 100 miles or more away from home than to the movies. The travel industry remained the second largest private employer in the nation and strengthened its position as the second largest U.S. retail or service industry in terms of sales.

The travel industry has been described as a collection of diverse products sold by a fragmented industry to segmented markets through a complex distribution chain.

It is not concentrated in definite areas of the country nor is it characterized by large plants with towering smokestacks. Instead, it comprises the airline terminal out in the suburbs, the highway motel, the travel agency down the block, and a host

of other businesses that do not even recognize their dependence on tourism since visitors are indistinguishable from other customers.

It is not surprising that government officials, business executives and the public have not fairly grasped the scope and significance of travel away from home and the industry that has developed to serve it. Many in the travel industry do not fully comprehend the nature of travel's economic contributions. How much more difficult it is for others, often in position to influence the course of travel and prospects for the industry, to realize the significance of tourism.

The preceeding pages have attempted to outline the role of travel and tourism in the American economy. It has grown larger over the years, outdistancing all but one of our nation's retail industries. It has developed job opportunities at faster rates than the rest of the economy, often for the very people who most need these opportunities. Travel contributes substantially to the incomes of people, businesses and governments, and it is a prominent part of the American lifestyle.

Travel ignores international boundaries, permitting residents of one country to personally experience another. In the process, jobs and income result, helping spread economic development more evenly within countries and around the world. Until recently, foreign residents could afford to fulfill their desires to visit the U.S. in increasing numbers. It is expected they will again do so when exchange rates and economic growth return to more favorable patterns.

Travel and tourism are ubiquitous among U.S. regions as well. Nearly every local area benefits from hosting visitors. Often those regions with the smallest volumes of economic activity count on travel the most for employment and income.

Travel's growth in recent years has been beset with a plethora of challenges. Petroleum shortages, super-inflation, restrictive government policies, and severe recession have dampened the growth we once took for granted. Competition is keener, consumers are more selective, and governments are quicker to hitch their revenue to travel's rising star. As a consequence, it is more difficult for the industry to provide customer satisfaction now and plan for better service in the years ahead.

Government is best viewed in a market economy as supplying those services which business and the public cannot provide for themselves. Policies that encourage stable prices and a growing economy will help industry provide the best travel experiences. Programs that facilitate international travel and fair competition with foreign travel services help improve our balance

of payments and strengthen our position in international travel markets. Procedures that maintain industry's access to petroleum supplies in times of scarcity help guarantee that travel and the travel industry can grow at a fair and equitable rate.

The information in this report has been gathered from the best objective sources and analyzed with an eye to clearly portraying the history, prospects, opportunities and challenges of travel and tourism in America. It is released in the spirit of aiding industry and others to understand the public interest in travel and tourism. Better understanding is the best foundation for insuring that travel will contribute as much or more to American enjoyment and well-being in the years ahead as it has in the years past.

A realistic appreciation of travel's strengths and vulnerabilities is a guarantee that travel will contribute as much or more to Americans' enjoyment and well-being in the years ahead as it has in the past.

APPENDIX A: BASIC TRAVEL DATA

Table 2A: Business Receipts of Selected U.S. Travel Industry Sectors, 1972-1982

($ billions)

Component	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Transportation											
Air	$ 7.686	$ 8.518	$ 9.903	$ 10.301	$ 12.104	$13.773	$ 15.753	$ 18.931	$ 23.317	$ 25.504	$ 28.441
Bus	.974	1.023	1.152	1.172	1.232	1.331	1.420	1.655	1.943	2.075	2.072
Rail	.163	.202	.257	.253	.287	.310	.321	.398	.429[1]	.496[1]	.558[1]
Lodging											
Hotel/motel	10.027	10.955	11.757	13.002	15.129	16.413	19.443	22.226	23.638	26.719	27.716
Foodservice											
Eating and drinking places	36.180	40.402	44.673	51.067	57.211	63.276	71.869	82.270	90.367	98.585	107.357
Entertainment/Recreation											
Amusement and Recreation services	13.378	14.120	16.695	18.047	20.748	22.803	23.224	25.750	28.327	31.704	33.209*
Travel industry	$ 68.408	$ 75.220	$ 84.437	$ 93.842	$106.711	$117.906	$132.030	$151.230	$168.021	$185.083	$196.353
Gross national product	$1,185.9	$1,326.4	$1,434.2	$1,549.2	$1,718.0	$1,918.0	$2,163.9	$2,417.8	$2,633.1	$2,937.7	$3,059.3

Source: U.S. Travel Data Center, based on data from the Civil Aeronautics Board, American Bus Association, Amtrak, U.S. Bureau of Economic Analysis, U.S. Department of Commerce, U.S. Bureau of the Census.

[1] FY 80 October 1 - September 30.

*U.S. Travel Data Center Estimate

Table 2B: Business Receipts of Selected U.S. Travel Industry Sectors in 1972 Dollars, 1972-1982

($ billions)

Component	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Transportation											
Air	$ 7.686	$ 8.230	$ 8.434	$ 8.581	$ 9.551	$ 10.298	$ 11.850	$ 13.420	$ 12.896	$ 12.708	$ 13.440
Bus	.974	1.016	1.066	.978	.966	.989	.978	1.066	1.055	1.036	1.043
Rail	.163	.206	.234	.212	.234	.228	.228	.266	.252	.253	.223
Lodging											
Hotel/motel	10.027	10.504	10.478	10.797	11.611	11.647	12.130	11.999	11.175	11.335	10.538
Foodservice											
Eating and drinking places	36.180	37.459	36.742	38.410	40.303	41.415	43.141	44.403	44.37[illegible]	44.414	45.920
Entertainment/Recreation											
Amusement and Recreation services	13.378	12.931	15.289	15.529	17.141	16.703	16.988	17.610	18.028	18.805	18.381
Travel industry	$ 68.408	$ 70.340	$ 72.243	$ 74.507	$ 79.806	$ 81.280	$ 85.315	$ 88.764	$ 87.777	$ 88.551	$ 89.545
Gross national product	$1,185.9	$1,254.3	$1,246.3	$1,231.6	$1,298.2	$1,369.7	$1,438.6	$1,479.4	$1,474.0	$1,502.6	$1,476.9

Source: U.S. Travel Data Center, based on data from the Civil Aeronautics Board, American Bus Association, Amtrak, U.S. Bureau of the Census, the U.S. Bureau of Labor Statistics, and the U.S. Bureau of Economic Analysis.

Table 2C: U.S. Domestic Intercity Transportation Activity, 1972-1982

(billions of passenger-miles)

Mode	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Common carriers											
Air	121.8	130.5	133.7	136.0	151.4	163.2	187.8	212.7	204.4	201.4	213.0
Bus	25.6	26.4	27.7	25.4	25.1	25.7	25.4	27.7	27.4	26.9	27.1
Amtrak	3.0	3.8	4.3	3.9	4.3	4.2	4.2	4.9	4.6	4.7	4.1
Total	150.4	160.7	165.7	165.3	180.8	193.1	217.4	245.3	236.4	233.0	244.2
Auto/truck/RV	987.9	1,017.4	981.7	1,024.4	1,102.1	1,151.6	1,192.1	1,157.2	1,137.8	1,154.1	1,176.5
Total All Modes	1,138.3	1,178.0	1,147.3	1,189.7	1,282.9	1,344.7	1,409.5	1,402.5	1,374.2	1,387.1	1,420.7

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center, based on data from the Civil Aeronautics Board, American Bus Association, Amtrak, and the Federal Highway Administration.
[1]U.S. Travel Data Center estimate

Table 3A: Travel Price Index and Its Components, 1972-1982

(1967 = 100)

Component	1972	1973	1974	1975	1976	1977*	1978	1979	1980	1981	1982
Transportation											
Airline fares	130.3	134.7	145.9	159.0	172.2	182.0	190.6	205.8	284.8	358.4	395.0
Bus fares	140.1	145.7	161.0	186.0	196.9	223.5	240.2	260.0	297.1	339.8	368.8
Rail fares	124.5	122.8	135.2	151.2	165.3	180.6	194.6	212.4	250.1	297.9	334.0
Gasoline	107.6	118.1	159.9	170.8	177.9	188.2	196.3	265.6	369.1	410.9	389.3
Lodging											
Hotel/motel	132.7	138.4	148.9	159.8	172.9	187.0	213.1	245.8	280.7	312.8	349.0
Foodservice											
Food away from home	131.1	141.4	159.4	174.3	186.1	200.3	218.4	242.9	267.0	291.0	306.5
Entertainment/Recreation											
Entertainment services	128.3	132.3	140.1	149.1	155.3	166.2	175.4	187.6	201.6	216.3	231.8
Incidentals	115.1	118.0	125.6	132.9	137.4	161.5	168.7	178.0	193.3	206.1	215.4
Travel Price Index	123.0	130.0	148.9	160.2	169.9	187.8	203.3	234.3	283.2	319.7	337.2
Consumer Price Index	125.3	133.1	147.7	161.2	170.2	181.5	195.4	217.4	246.8	272.3	289.1

*Consumer Price Index revised beginning with 1977; data for 1977 and subsequent years are not strictly comparable with earlier years.
Source: U.S. Travel Data Center, based on U.S. Bureau of Labor Statistics data.

Table 4A: Payroll Employment for Selected Travel Industry Sectors, 1958-1981

(thousands)

Sector	1958	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Intercity highway passenger transportation	43.0	41.4	40.5	40.9	41.3	40.8	42.1	41.8	41.9	43.8	43.2	43.2
Air transportation	165.2	179.3	191.2	195.7	196.9	201.7	212.6	299.0	248.3	298.2	329.2	352.9
Eating and drinking places	1,528.9	1,602.9	1,654.3	1,664.8	1,720.5	1,747.9	1,848.1	1,987.9	2,117.9	2,191.4	2,308.8	2,465.7
Hotels, motels and tourist courts	492.8	511.7	530.8	543.9	559.2	566.6	592.6	609.6	638.8	653.4	676.8	703.2
Travel industry	2,229.9	2,335.3	2,416.8	2,445.3	2,517.9	2,557.0	2,695.4	2,868.3	3,046.9	3,186.8	3,358.0	3,565.0
Total U.S.	51,324	53,268	54,189	53,999	55,549	56,653	58,283	60,765	63,901	65,803	67,897	70,384

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, United States, 1909-78, (July, 1979), Supplement to Employment and Earnings, Revised Establishment Data (Jan., 1977-Mar., 1981) (August, 1981), Employment and Earnings (March, 1982).

Table 4A: Payroll Employment for Selected Travel Industry Sectors, 1958-1982 (Continued)

(thousands)

Sector	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979
Intercity highway passenger transportation	43.4	43.5	42.0	41.3	42.4	39.9	39.6	37.4	36.1	36.7
Air transportation	315.7	344.6	348.3	365.7	367.8	362.8	373.8	386.3	407.9	438.2
Eating and drinking places	2,575.6	2,700.4	2,860.2	3,053.8	3,231.2	3,379.5	3,656.2	3,948.6	4,277.2	4,513.1
Hotels, motels and tourist courts	717.4	737.6	774.9	807.7	823.5	849.5	885.2	913.0	945.6	1,019.9
Travel industry	3,688.1	3,826.1	4,025.4	4,268.5	4,464.9	4,631.7	4,954.8	5,285.3	5,666.8	6,007.9
Total U.S.	70,880	71,214	73,675	76,790	78,265	76,945	79,382	82,471	86,697	89,823

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, United States, 1909-78, (July, 1979), Supplement to Employment and Earnings, Revised Establishment Data (Jan., 1977-Mar., 1981) (August, 1981), Employment and Earnings (March, 1982).

Table 4A: Payroll Employment for Selected Travel Industry Sectors, 1958-1982 (Continued)

(thousands)

Sector	1980	1981	1982
Intercity highway passenger transportation	37.9	36.9	36.6
Air transportation	453.4	446.2	441.8
Eating and drinking places	4,625.8	4,762.1	4,781.4
Hotels, motels and tourist courts	1,037.7	1,032.9	1,057.5
Travel industry	6,213.5	6,278.1	6,317.3
Total U.S.	90,406	91,156	89,596

Source: U.S. Department of Labor, Bureau of Labor Statistics, Employment and Earnings, United States, 1909-78, (July, 1979), Supplement to Employment and Earnings, Revised Establishment Data (Jan., 1977-Mar., 1981) (August, 1981), Employment and Earnings (March, 1982).

Table 4B: Payroll Employment for Selected Travel Industry Sectors, 1982 Monthly

(thousands)

Sector	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Intercity Highway Passenger transportation	36.4	34.3	34.2	35.8	36.6	37.7	38.8	38.7	38.5	36.6	35.4	35.6
Air transportation	442.9	441.4	440.0	441.2	445.1	437.1	444.1	444.5	443.0	441.3	439.5	441.2
Eating and drinking places	4,578.7	4,626.6	4,698.2	4,816.4	4,924.5	4,906.9	4,877.2	4,864.7	4,868.4	4,768.4	4,729.0	4,717.8
Hotels, motels and tourist courts	1,010.3	1,023.8	1,038.7	1,062.0	1,080.8	1,109.6	1,120.7	1,127.9	1,075.3	1,036.3	1,010.2	994.0
Amusement and recreation services	708.6	728.5	763.6	823.0	876.5	945.4	976.5	967.3	897.8	805.6	774.2	777.6
Travel industry	6,776.9	6,854.6	6,974.7	7,178.4	7,363.5	7,436.7	7,457.3	7,443.1	7,323.0	7,088.2	6,988.3	6,966.2
Total U.S.	89,269	89,413	89,679	89,984	90,455	90,570	89,238	89,057	89,523	89,516	89,487	89,358

Source: U.S. Department of Labor, Bureau of Labor Statistics, Supplement of Employment and Earnings, Revised Establishment Data (Jan., 1977-Mar., 1982) (June, 1982), Employment and Earnings (March, 1983).

Table 4B: Payroll Employment of Selected Travel Industry Sectors, 1981 Monthly (Continued)

(thousands)

Sector	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
Intercity Highway Passenger transportation	36.4	36.3	36.4	37.0	38.4	39.4	40.3	40.4	39.7	37.7	36.9	36.9
Air transportation	447.0	449.5	450.8	452.7	456.0	459.6	462.4	462.4	456.5	451.3	447.6	446.2
Eating and drinking places	4,464.7	4,489.3	4,578.2	4,738.6	4,826.1	4,888.1	4,852.8	4,878.0	4,891.9	4,792.0	4,758.1	4,762.1
Hotels, motels and tourist courts	1,002.4	1,015.7	1,031.2	1,068.9	1,092.8	1,129.9	1,149.9	1,158.4	1,110.1	1,073.8	1,042.9	1,032.9
Amusement and recreation services	669.0	684.1	707.1	758.1	805.6	856.1	875.7	872.9	826.7	750.7	725.6	739.6
Travel industry	6,619.5	6,674.9	6,803.7	7,055.3	7,218.9	7,373.1	7,381.1	7,412.1	7,324.9	7,105.5	7,011.1	7,017.7
Total U.S.	89,688	89,833	90,371	90,983	91,432	92,056	91,107	91,087	91,620	91,884	91,765	91,437

Source: U.S. Department of Labor, Bureau of Labor Statistics, Supplement of Employment and Earnings, Revised Establishment Data (Jan., 1977-Mar., 1982) (June, 1982), Employment and Earnings (March, 1983).
p

Table 5A: U.S. Travel/tourism Transportation Consumption of Petroleum, 1981-82

(millions of barrels)

Sector	1982	1981	1982 percent Distribution	1982/81 percent change
Travel/tourism				
Certificated air[1]	200.8	203.7	3.6%	-1.4%
General aviation[2]	36.4	34.1	0.7	+6.6
Intercity bus[3]	4.5	4.5	0.1	+0.7
Amtrak[4]	1.5	1.5	*	-2.5
Auto/truck/RV/motorcycle[5]	268.8	274.0	4.8	-1.9
Total	512.0	517.8	9.2	-1.1
Local personal passenger vehicle transportation[5]	1,485.1	1,433.6	25.2	-2.0
Other transportation[5]	1,476.0	1,504.4	26.5	-1.7
Total transportation[6]	3,393.1	3,455\8	60.9	-1.8
Industrial[6]	1,459.0	1,565.8	26.2	-6.8
Residential and commercial[6]	464.9	487.2	8.4	-4.6
Electric utilities[6]	250.6	351.9	4.5	-28.8
TOTAL PETROLEUM CONSUMPTION[6]	5,567.5	5,861.0	100.0%	-5.0%

Note: details may not add to totals due to rounding.
*less than .05 percent. p = preliminary
Source: U.S. Travel Data Center

[1]Civil Aeronautics Board. [2]Federal Aviation Administration. [3]American Bus Association for all intercity carriers. [4]Amtrak. [5]Estimated by the U.S. Travel Data Center based upon the 1977 Nationwide Personal Transportation Study and Federal Highway Administration data. [6]U.S. Department of Energy, Monthly Energy Review, May 1983.

Table 5B: U.S. Domestic Consumption of Energy, 1981-1982

(Quadrillion BTU)

	1982	1981	Percent change
Travel/tourism transportation	2.778	2.815	-1.3%
Local personal passenger vehicle transportation	7.628	7.779	-1.9
Motor gasoline	12.534	12.631	-0.8
Transportation	19.065	19.481	-2.1
Total domestic energy consumption	70.842	73.984	-4.2

Source: U.S. Travel Data Center, based on data from Table 5A and U.S. Department of Energy, Monthly Energy Review, May, 1983.

Table 6A: U.S. International Travel Receipts, Payments and Balance, 1972-1982

($ millions)

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
Receipts from foreign visitors in the U.S.	$ 2,817	$ 3,412	$ 4,032	$ 4,697	$ 5,742	$ 6,150	$ 7,186	$ 8,335	$10,090	$12,163	$11,293
Payments of U.S. travelers in foreign countries	5,042	5,526	5,980	$6,417	6,856	7,451	8,475	9,413	10,397	11,479	12,394
Balance on travel receipts less payment	-2,225	-2,114	-1,948	-1,720	-1,114	-1,301	-1,289	-1,078	-307	684	-1,101
World international travel receipts	$24,200	$27,600	$34,100	$38,600	$43,700	$52,400	$65,100	$79,000	$95,300	$96,000	$99,000

Source: Bureau of Economic Analysis, U.S. Department of Commerce, Survey of Current Business, Vol. 61, No. 5 and Vol. 62, No. 5.

Table 6B: U.S. International Passenger Fare Receipts, Payments and Balance, 1970-1982

($ millions)

	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
U.S. passenger fare receipts from foreign travelers	$ 377	$ 425	$ 494	$ 718	$ 813	$ 767	$ 937	$1,025	$1,238	$1,677	$2,053	$2,455	$2,497
U.S. passenger fare payments to foreign carriers	1,215	1,290	1,596	1,790	2,095	2,263	2,568	2,748	2,896	3,184	3,607	4,487	4,772
Balance of passenger fare receipts less payments	-838	-865	-1,102	-1,072	-1,282	-1,496	-1,631	-1,723	-1,658	-1,507	-1,554	-2,032	-2,275

Source: Bureau of Economic Analysis, U.S. Department of Commerce, Survey of Current Business, Vol. 61, No. 9 and Vol. 62, No. 5.

Table 6C: U.S. and World International Travel Receipts and Arrivals, 1972-1982

	1972	1973	1974	1975	1976	1977	1978	1979	1980	1981	1982
International travel receipts ($ billions)											
United States	$ 2.81	$ 3.41	$ 4.03	$ 4.70	$ 5.74	$ 6.15	$ 7.19	$ 8.34	$10.1	$12.2	$11.3
World	$24.8	$31.3	$34.1	$38.6	$43.7	$52.4	$65.0	$79.0	$95.3	$96.0	$99.9
International arrivals (millions)											
United States	13.1	14.0	14.2	15.7	17.5	18.5	19.7	20.3	22.5	23.1	20.9
World	184	191	197	207	227	244	259	270	279	290	280

Source: Bureau of Economic Analysis, U.S. Department of Commerce, World Tourism Organization.

Table 6D: National Government Expenditures on Tourism Development by Top 29 Countries, 1981

Rank	Country	Expenditures ($ millions)
1	Czechoslovakia	$149.1
2	Turkey	62.1
3	Greece	57.8
4	Spain	57.2
5	Belgium	44.6
6	United Kingdom	41.0
7	Korea	30.6
8	Venezuela	30.0
9	Canada	29.0
10	France	27.8
11	Singapore	24.3
12	Italy	20.5
13	Bahamas	20.2
14	Peru	20.1
15	Mexico	20.0
16	Columbia	17.3
17	Brazil	16.1
18	Germany	15.8
19	Syria	13.8
20	Netherlands	13.7
21	Jamaica	12.8
22	Indonesia	11.3
23	Australia	11.1
24	Hong Kong	10.6
25	Malaysia	10.0
26	Bermuda	8.9
27	Libya	8.8
28	Finland	8.5
29	United States	8.0

Source: World Tourism Organization and U.S. Travel and Tourism Administration.

Table 7B: Travel Expenditures by U.S. and Foreign Visitors, by Travel Region, 1981

($ billions)

TRAVEL REGION	U.S. Travel expenditures	Foreign visitor expenditures	Total travel expenditures
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	$ 9.9	$ 0.5	$ 10.4
Eastern Gateway: New Jersey, New York	18.9	1.9	20.7
George Washington Country: Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia	15.5	0.7	16.2
The South: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee	36.1	2.1	38.2
Great Lakes: Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, Wisconsin	27.7	0.8	28.5
Mountain West: Colorado, Montana, Nebraska, North Dakota, South Dakota, Utah, Wyoming	8.4	0.3	8.7
Frontier West: Arizona, Kansas, Missouri, New Mexico, Oklahoma, Texas	24.4	1.6	26.0
Far West: Alaska, California, Idaho, Nevada, Oregon, Washington, Hawaii	37.8	3.3	41.2
U.S. Territories	0.8	0.6	1.2
U.S. Overall	$179.5	$12.2	$191.7

Note: Details may not add to totals due to rounding.

Source: U.S. Travel Data Center's Travel Economic Impact Model, includes overnight trips and day-trips to places 100 miles or more away from home; U.S. Bureau of Labor Statistics.

Table 7C: Employment Generated by U.S. and Foreign Travel Expenditures, by Travel Region, 1981

TRAVEL REGION	Travel-generated employment (thousands)	Share of total payroll employment (percent)
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	260	4.6
Eastern Gateway: New Jersey, New York	463	4.5
George Washington Country: Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia	428	4.2
The South: Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee	949	5.6
Great Lakes: Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio, Wisconsin	739	3.8
Mountain West: Colorado, Montana, Nebraska, North Dakota, South Dakota, Utah, Wyoming	253	7.3
Frontier West: Arizona, Kansas, Missouri, New Mexico, Oklahoma, Texas	620	5.3
Far West: Alaska, California, Idaho, Nevada, Oregon, Washington, Hawaii	926	6.6
U.S. Overall	4,890	5.4%

Note: Details may not add to totals due to rounding.
Source: U.S. Travel Data Center's Travel Economic Impact Model, includes overnight trips and day-trips to places 100 miles or more away from home; U.S. Bureau of Labor Statistics.

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